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BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING
JUNE 30, 1970



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A SEPARATE FROM THE BUDGET OF
THE UNITED STATES GOVERNMENT
1970

BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE
FOR THE FISCAL YEAR ENDING
JUNE 30, 1970

A Separate from the Budget of the United States Government
1970



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IMPACT OF REVENUE AND EXPENDITURE CONTROL ACT IN FISCAL YEAR 1969

In addition to various provisions affecting the tax system, the Revenue and Expenditure Control Act of 1968 (Public Law 90-364) contained several sections designed to curb current and future budget outlays. The act provided for:

- Specific limitations on budget authority and outlays in fiscal year 1969, representing—for the programs covered—reductions of \$10 billion and \$6 billion, respectively, below the levels in the 1969 budget which I sent to the Congress on January 29, 1968.
- An analysis of funds previously made available by the Congress which are estimated to be unobligated on June 30, 1969, and to remain available in 1970, with a report including recommendations for rescissions of at least \$8 billion of such balances.
- Restrictions on the hiring of full-time, permanent employees of Federal agencies to 75% of separations, until the total of such employees reaches the June 1966 level.

Budget authority and outlays.—In setting the limitations on budget authority and outlays, the Congress excepted certain programs from the required reductions and subsequently added other exceptions. The exceptions amount in total to more than half of the currently estimated budget, including special support of Vietnam operations and the largest uncontrollable programs in the budget—programs which have shown the sharpest growth in recent years.

The current estimate of \$194.6 billion in total budget authority for fiscal year 1969 is \$7.1 billion below the estimate in last year's budget. An increase of \$6.1 billion is now estimated for the programs exempted from the provisions of Public Law 90-364, largely for (1) special Vietnam costs, reflecting mainly the adjustments I announced on March 31, 1968, (2) the price support operations of the Commodity Credit Corporation, because of larger crops than anticipated last January, (3) social security trust funds, in which the receipts—which constitute budget authority—are greater than originally estimated, (4) interest costs, reflecting both a larger debt and higher interest rates, and (5) public assistance grants, based on reports received from participating State governments.

The current status of *budget authority* for fiscal year 1969 is as follows:

BUDGET AUTHORITY FOR FISCAL YEAR 1969—RELATIONSHIP TO
PUBLIC LAW 90-364

[In billions]

Description	January 1968 estimate	Current estimate	Change
Programs excepted from Public Law 90-364 limitation:			
Special support of Vietnam operations.....	\$25.4	\$28.0	+\$2.6
Interest.....	14.4	15.2	+0.8
Veterans benefits and services.....	7.8	7.5	-0.3
Social Security Act trust funds.....	41.8	42.6	+0.9
Old-age and survivors insurance.....	(27.2)	(27.8)	(+0.7)
Disability insurance.....	(3.7)	(3.8)	(+0.1)
Health insurance.....	(6.8)	(7.3)	(+0.5)
Unemployment insurance.....	(4.1)	(3.8)	(-0.3)
Commodity Credit Corporation (price support and related programs).....	3.3	4.8	+1.6
Public assistance grants to States (including Medicaid).....	5.8	6.4	+0.7
Subtotal, excepted programs.....	98.4	104.6	+6.1
Remainder—covered by Public Law 90-364 limitation.....	103.3	90.1	-13.2
Total.....	201.7	194.6	-7.1

For the programs affected by the limitation required under Public Law 90-364, budget authority is now estimated to be \$13.2 billion under last January's estimate. A portion of this reduction reflects the conversion to complete private ownership of the Federal National Mortgage Association's secondary market operations, the Federal intermediate credit banks, and the banks for cooperatives. However, the \$10 billion required reduction is being achieved over and above these factors, and without the need for me to establish reserves which would result in automatic rescission of enacted 1969 budget authority as authorized under the law.

For *budget outlays*, the current situation is as follows:

BUDGET OUTLAYS IN FISCAL YEAR 1969—RELATIONSHIP
TO PUBLIC LAW 90-364

(In billions)

Description	January 1968 estimate	Current estimate	Change
Programs excepted from Public Law 90-364 limitation:			
Special support of Vietnam operations.....	\$26.3	\$29.2	+\$2.9
Interest.....	14.4	15.2	+0.8
Veterans benefits and services.....	7.3	7.7	+0.4
Social Security Act trust funds.....	36.0	36.4	+0.4
Old-age and survivors insurance.....	(24.6)	(24.6)	(+0.1)
Disability insurance.....	(2.6)	(2.6)	—§
Health insurance.....	(5.8)	(6.2)	(+0.5)
Unemployment insurance.....	(3.1)	(3.0)	(-0.1)
Tennessee Valley Authority (portion financed from power proceeds and borrowing).....	0.1	0.1	+\$
Commodity Credit Corporation (price support and related programs).....	2.8	3.6	¹ +0.9
Public assistance grants to States (including Medicaid).....	5.7	6.2	¹ +0.6
Aid to schools in federally impacted areas (special 1968 supplemental payments made in 1969).....		0.1	+0.1
Subtotal, excepted programs.....	92.6	98.6	+6.0
Remainder—covered by Public Law 90-364 limitation.....	93.5	85.1	-8.3
Total.....	186.1	183.7	-2.4

§ Less than \$50 million.

¹ Outlays exceeding the January 1968 estimates by more than \$907 million for farm price supports and \$560 million for public assistance grants are not excepted from the Public Law 90-364 limitation.

In total, outlays in 1969 are now estimated to be \$2.4 billion below the original estimate last January. Upward reestimates amounting to \$6.0 billion have been necessary in the programs excepted from the spending limitation, reflecting the same factors as those affecting budget authority.

For the portion of the budget covered by the limitation in Public Law 90-364, the current estimate of outlays represents a reduction of \$8.3 billion below the January 1968 estimate for fiscal year 1969. These reductions include decreases in Department of Defense programs apart from Southeast Asia support as well as in the civilian agencies of the Government.

As in the case of budget authority, the required \$6 billion cutback in outlays for covered programs is being accomplished over and above reductions resulting from financing changes associated with the conversion of certain credit institutions to private ownership. The currently estimated reduction will allow leeway in carrying out the provisions of Public Law 90-364, should unforeseen increases occur in the affected programs in the months ahead.

The Vocational Education Amendments of 1968 contain a provision permanently exempting appropriations made to the Office of Education from administrative controls on obligations and spending. While this administration has made education an urgent national priority, it is highly undesirable to restrict in this way the actions which a future President might find necessary for prudent management of the Government.

Unobligated balances.—As required by section 204 of Public Law 90-364, an analysis has been made of the unobligated balances estimated to remain available in fiscal year 1970. A report of the results, indicating possible rescissions of the required \$8 billion of these balances, is provided in Special Analysis G. I do not favor those rescissions and therefore the tables and schedules in the various parts of the budget do not reflect such action.

Federal civilian employment.—The requirement in Public Law 90-364 that restrictions on hiring be imposed until the Government's full-time permanent civilian employment is reduced to the June 1966 level has inevitably created many difficulties for orderly management of the Government's activities. As originally enacted, this requirement would have necessitated an eventual reduction of over 250,000 employees from the level of June 1968, despite a substantial increase in workloads compared with 2 years earlier. Shortly after enactment of the law, the Congress exempted roughly one-third of the Government's full-time employees in specified agencies, with the effect of lowering the required reduction to about 115,000.

The controls in the law also affect temporary and part-time employment, requiring that such employment each month in any agency not exceed the level of the corresponding month in 1967.

The administration has successfully enforced these provisions to date. However, it is clear that continued arbitrary reductions in em-

ployment over a period of time will hamstring effective management of programs and personnel practices, will reduce efficiency and increase costs, and will lead to further curtailment or to interruption of Government services. This situation is aggravated by the need to provide staff for new programs adopted after June 1966 and for enlarged workloads which occur as the population grows and the economy expands.

During the past 5 years, I have, as a regular practice, imposed employment limitations on the agencies to provide incentives for improving productivity and to keep the Federal payroll to a minimum. Limitations for each department and agency were related to the program and budgetary levels recommended by me and approved by the Congress, rather than to some arbitrary formula or unrelated benchmark period.

The Congress should rely on its appropriations process—or develop an acceptable accompanying process—to relate employment levels specifically to the work it wants done by each agency and for which it provides the necessary funds. The 1970 estimates in this budget are based on such action.

FEDERAL DEBT

On the basis of the estimates of receipts and outlays in this budget, the *Federal debt held by the public* will decrease from \$290.6 billion on June 30, 1968 to \$276.6 billion on June 30, 1969, and will further decline to an estimated \$272.6 billion on June 30, 1970. This decrease reflects:

- The sharp reduction in net Federal borrowing requirements from the unusually high level in 1968, since outlays in both 1969 and 1970 will be financed entirely from current revenues; and
- The conversion to complete private ownership during 1969 of the secondary market operations of the Federal National Mortgage Association, the Federal intermediate credit banks, and the banks for cooperatives, causing a net reduction of \$10.9 billion in outstanding obligations to the public previously included in the Federal debt.

Gross Federal debt—which is the sum of the amount of debt held by the public and the amount held within the Government—is estimated at \$371.5 billion at the end of the fiscal year 1970. This total includes not only the direct obligations of the Treasury, but also \$14.1 billion in securities issued by various other Federal agencies.

† Totals for funds appropriated to the President are distributed as follows:

	1969				1970			
	NOA	LA	Exp.	NL	NOA	LA	Exp.	NL
Federal funds:								
Enacted/transmitted.....	4,814,441	-606	5,259,333	-2,533	5,908,550	7,900	5,213,092	5,373
Separate transmitted:								
(a) Proposed legislation.....	185,000				185,000		46,000	
(b) Civilian pay.....	1,100		1,050				50	
Deductions for offsetting receipts.....	-166,277		-166,277		-150,731		-150,731	
Total Federal funds.....	4,834,264	-606	5,094,106	-2,533	5,942,819	7,900	5,108,411	5,373
Trust funds:								
Enacted/transmitted.....	813,003		1,043,139		753,103		933,135	
Deductions for offsetting receipts.....	-980,600		-980,600		-954,700			
Total trust funds.....	-167,597		62,539		-201,597		-21,565	
Total funds appropriated to the President.....	4,666,667	-606	5,156,645	-2,533	5,741,222	7,900	5,086,846	5,373

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:	216,951	215,491	225,632	8,141	Increases are for strengthening farm, utilization and nutrition, and consumer use research, including lease of an airplane for use in remote sensing, strengthening plant and animal disease and pest control activities, and plans, construction, and improvement of facilities. Decreases occur in the coordination of departmental and interdepartmental pest control activities.			
Salaries and expenses.....355	15,000	15,000	15,000					
Permanent.....	2,000	2,000						
Reappropriation.....	230,437	238,223	239,117	894				
NOA								
NOA								
Exp.								

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL RESEARCH SERVICE—Continued					
<i>Federal Funds—Continued</i>					
General and special funds—Continued					
Salaries and expenses (special NOA foreign currency program).....355 Exp.	8,500 6,980	4,500 7,486	8,287 8,310	3,787 824	Increase expands use of excess foreign currencies for agricultural and forestry research.
Construction of facilities.....355 Exp.	94	8	—	—8	(Program will terminate in 1969.)
Animal quarantine station (per- manent, indefinite, special fund) Exp. 355	100	—	427 100	427	Receipts from sale of present Animal Quarantine Station, Clifton, N.J., will be used for construction of new station. Additional NOA for this purpose is included in account for Salaries and expenses.
Intragovernmental funds: Working capital fund, Agricultural Research Center.....355 Exp.	—62	—	—	—	(This fund finances, on a reimbursable basis, central facilities and services amounting to \$5 million.)
Total Federal funds Agricul- tural Research Service.	242,551 237,449	236,991 245,817	249,346 247,527	12,355 1,710	
<i>Trust Funds</i>					
Miscellaneous trust funds (perma- nent).....355 Exp.	897 821	1,393 1,142	1,212 1,530	—181 388	Certain services are financed by fees and contributions from busi- ness organizations, States, and others.

COOPERATIVE STATE RESEARCH
SERVICE*Federal Funds*

General and special funds:
Payments and expenses.....355 NOA
Exp.

Trust Funds

Miscellaneous contributed funds NOA
(permanent).....355 Exp.

EXTENSION SERVICE

Federal Funds

General and special funds:
Cooperative extension work, pay- NOA
ments and expenses.....355 Exp.

Intragovernmental funds:
Advances and reimbursements.355 Exp.

Total Federal funds Exten- NOA
sion Service. Exp.

FARMER COOPERATIVE SERVICE

Federal Funds

General and special funds:
Salaries and expenses.....355 NOA
Exp.

Total Federal funds Farmer NOA
Cooperative Service. Exp.

Increase will expand payments to State agricultural experiment stations, cooperative forestry research, and research facilities.

Contributions are received from States and local organizations for work performed under cooperative agreements.

Increase provides for expansion of assistance to low-income families, for mandatory retirement and compensation costs for extension agents, and for penalty mail.

Provides additional research and developmental assistance for cooperatives serving low-income farmers and other rural residents.

o Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
FARMER COOPERATIVE SERVICE—Continued					
<i>Trust Funds</i>					
Miscellaneous contributed funds NOA	17	9	15	6	Contributions are received from States and local organizations for work performed under cooperative agreements.
(permanent).....355 Exp.	14	8	15	7	
SOIL CONSERVATION SERVICE					
<i>Federal Funds</i>					
General and special funds:					
Conservation operations.....354 NOA	114,913	114,806	118,786	-----	Program will continue at the same level as in 1969.
Exp.	114,159	118,580	118,394	—186	
Watershed planning.....401 NOA	6,182	6,160	6,209	—205	Despite decrease, estimate provides for 25 new planning starts and planning assistance on 301 continuing project plans.
Exp.	6,369	6,776	6,176	—600	
River basin surveys and investigations.....401 NOA	8,472	8,758	8,187	—877	Reflects a reduction of 8 surveys in 1970 and a decrease in planning assistance to ongoing surveys and investigations.
Exp.	8,057	9,761	8,107	—1,654	
Watershed works of improvement 401 NOA	61,887	57,185	64,078	6,205	Estimate will provide preconstruction assistance on 259 projects, will start construction on 25 new projects, and provide increased assistance on 337 continuing construction projects.
Exp.	61,339	75,083	72,418	—2,665	
NL	2,676	2,370	1,178	—1,192	

Flood prevention.....	401	NOA	25,751	19,999	20,223	-----	Program continues at same level as 1969.
		Exp.	22,836	19,999	23,143	-5,311	
		NL	154	28,454	1,799	1,573	
				226			
Great Plains conservation pro- gram.....	354	NOA	16,336	16,000	14,000	-2,160	Reduces funds for new cost-share contracts and the related technical services.
		Exp.	15,835	16,335	16,725	390	
Resource conservation and devel- opment.....	354	NOA	6,241	6,252	10,252	3,889	Provides funds for planning starts in 12 new project areas and an increase in resource development and technical services.
		Exp.	6,358	6,649	10,434	3,785	
		NL	481	500	746	246	
Total Federal funds Soil Con- servation Service.		NOA	239,782	234,883	241,735	6,852	
		Exp.	234,953	261,638	255,397	-6,241	
		NL	3,311	3,096	3,723	627	
<i>Trust Funds</i>							
Miscellaneous contributed funds (permanent).....	401	NOA	974	1,100	1,200	100	Contributions are received from States and local organizations for work performed under cooperative agreements.
		Exp.	920	981	1,200	219	
<i>Federal Funds</i>							
ECONOMIC RESEARCH SERVICE							
General and special funds:							
Salaries and expenses.....	355	NOA	12,789	12,703	13,562	175	Increase is for design of rural economic indicators.
		Exp.	13,238	13,227	13,430	203	
Total Federal funds Economic Research Service.		NOA	12,789	13,387	13,562	175	
		Exp.	13,238	13,227	13,430	203	
<i>Trust Funds</i>							
Miscellaneous contributed funds (permanent).....	355	NOA	31	35	35	-----	Includes funds received from States, local organizations, and others for economic research.
		Exp.	31	30	35	5	

o Proposed for separate transmittal. civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
STATISTICAL REPORTING SERVICE					
Federal Funds					
General and special funds: NOA	14,238	14,316	15,055	212	Increase provides for quarterly probability surveys of farm grain stocks and research on the improvement of agricultural statistics.
Salaries and expenses: 355		^a 527			
Exp.	14,667	14,766	15,030	264	
Total Federal funds Statistical Reporting Service. NOA	14,238	14,843	15,055	212	
Exp.	14,667	14,766	15,030	264	
Trust Funds					
Miscellaneous contributed funds NOA	14	7	7		Contributions are received from States, local organizations, and others for crop and livestock surveys.
(permanent) 355	45	9	7	—2	
CONSUMER AND MARKETING SERVICE					
Federal Funds					
General and special funds: NOA	92,626	116,016	142,254	22,228	Supplemental in 1969 and increase in 1970 are for expansion of meat and poultry inspection programs.
Consumer protective, marketing, and regulatory programs: 355		^a 1,000	^b —113		
Exp.	93,022	^b 2,897	141,878	21,909	
		118,856	^b —113		
		^a 1,000			
Payments to States and possessions: NOA	1,750	1,750	1,600	—150	Decrease reflects phaseout of lower priority matching fund projects.
Exp.	1,750	1,600	1,600		
Special milk program (permanent) 653	104,000	103,995		—103,995	Decrease reflects proposal to terminate this program as a separate activity due to expansion of other food assistance programs in 1970.
Exp.	103,730	103,595	14,771	—88,824	

Child nutrition programs.....653	NOA	177,897	188,452	114,500	114,689	Increase provides for normal growth in school lunch program and more adequate diets for needy children, \$90 million for special assistance to needy schools, \$10 million for the school breakfast program, \$10 million for food service equipment, and \$20.5 million for the nonschool food program.
Permanent.....	NOA	45,000	64,325	252,966	121,191	
Exp.....	Exp.	216,860	246,275	367,466		
Food stamp program.....653	NOA	161,745	279,908	340,000	60,092	Increase provides for an expanded program to reach approximately 3.9 million participants.
Reappropriation.....	NOA	23,200				
	Exp.	184,727	272,908	338,000	65,092	
Removal of surplus agricultural commodities (permanent, indefinite, special fund).....351	NOA	404,351	402,791	386,214	-16,577	30% of the gross customs receipts is available to finance this program. Increase provides for larger purchases of commodities for distribution to families and schools; a supplementary food program for poor families with infants or expectant mothers; special feeding programs for children in school; and an expanding Extension Service homemaker aide program. Proposed legislation reflects user charges to finance administration of market agreements and orders.
	Exp.	174,732	292,159	386,214 a-2,900	91,155	
Perishable Agricultural Commodities Act fund (permanent, indefinite, special fund).....355	NOA	875	932	988	56	License fees are used to finance administration of the act.
	Exp.	880	978	1,057	79	
Total Federal funds Consumer and Marketing Service.	NOA	1,011,444	1,162,066	1,238,409	76,343	
	Exp.	775,701	1,037,371	1,247,973	210,602	
<i>Trust Funds</i>						
Consumer and Marketing Service trust funds (permanent).....355	NOA	30,645	32,855	33,717	862	Fees are charged for various inspection and grading services.
	Exp.	30,519	32,063	33,653	1,590	
Milk market orders assessment fund (trust revolving fund).....351	Exp.	-----	-97	-99	-2	(Operations are financed by assessments on regulated milk handlers.)
Total trust funds Consumer and Marketing Service.	NOA	30,645	32,855	33,717	862	
	Exp.	30,519	31,966	33,554	1,588	

^a Proposed for separate transmittal under existing legislation, other than pay supplemental.

^b Proposed for separate transmittal under proposed legislation.

^c Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
FOREIGN AGRICULTURAL SERVICE					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses.....355 NOA	21,155	21,902	25,422	3,520	Increase is primarily for expansion of the export market development program, an additional attaché post in Korea, and the study of new export market opportunities. (Program is financed from prior year appropriations.)
Permanent.....NOA	3,117	3,117	3,117		
Exp.....	24,063	25,783	29,901	4,118	
Salaries and expenses (special foreign currency program).....355 Exp.	720	750	750		
Total Federal funds Foreign Agricultural Service, NOA Exp.	24,272	25,019	28,539	3,520	
	24,783	26,533	30,651	4,118	
INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE					
<i>Federal Funds</i>					
Intragovernmental funds:					
Advances and reimbursements.152 Exp.	—444				

COMMODITY EXCHANGE AUTHORITY									
<i>Federal Funds</i>									
General and special funds:									
Salaries and expenses.....	355	NOA	1,555	1,816		2,321	440		Increased staff is needed for expanded regulatory workload resulting from recent amendments to the Commodity Exchange Act.
Exp.			1,516	^a 65 1,869		2,282	413		
Total Federal funds Commodity Exchange Authority.		NOA	1,555	1,881		2,321	440		
Exp.		Exp.	1,516	1,869		2,282	413		
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE									
<i>Federal Funds</i>									
General and special funds:									
Expenses, Agricultural Stabilization and Conservation Service.		NOA	137,935	143,257		148,870	5,613		Increase is for workload related to the proposed 1970 cropland adjustment program.
351		Exp.	139,753	144,583		148,936	4,353		
Sugar Act program.....	351	NOA	80,000	82,000		96,300	6,800		1969 supplemental is for unanticipated increase in production. Increase in 1970 is required to make payments to eligible producers.
Exp.		Exp.	83,829	^a 7,500 88,228 ^a 7,500		96,300	572		
Agricultural conservation program:									
Contract authorization.....	354	NOA	220,000	195,500		100,000	-95,500		Provides adequate funds for cost sharing high priority conservation practices.
Liquidation of contract authorization.		Exp.	(220,000)	(190,000)		(195,500)	(5,500)		
		Exp.	219,364	202,800		196,000	-6,800		
Cropland adjustment program.....	351	NOA	84,500	81,912		79,330	-2,582		Decrease in adjustment payments results from agreements signed in 1966 and 1967.
Exp.		Exp.	83,744	80,800		79,930	-870		
Conservation reserve program.....	351	NOA	123,000	109,000		37,900	-71,100		Reduction in annual rental payment due to expiring contracts.
Exp.		Exp.	121,802	109,000		39,518	-69,482		
Emergency conservation measures		NOA	5,000	5,000		5,000	-----		Payments are for cost-sharing assistance to farmers to rehabilitate lands damaged by natural disaster.
354		Exp.	5,403	7,700		8,000	300		

^a Proposed for separate transmittal under existing legislation, other than pay supplemental.^b Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued					
<i>Federal Funds—Continued</i>					
General and special funds—Continued					
Indemnity payments to dairy NOA farmers.....355 Exp.	300 264	300 250	200 355	-100 105	Decrease represents reduction in anticipated claims from farmers for milk excluded from markets due to pesticide residues.
Cropland conversion program..351 Exp.	3,127	3,000	2,400	-600	(Decrease in payments under previously authorized contracts.)
Total Federal funds Agricul- tural Stabilization and Conservation Service.	650,735 657,286	624,469 643,861	467,600 571,439	-156,869 -72,422	
<i>Trust Funds</i>					
Miscellaneous contributed funds..351 Exp.	2				(Receipts, primarily from State and local organizations, are used for work under cooperative agreements.)
COMMODITY CREDIT CORPORATION					
<i>Federal Funds</i>					
Price Support and Related Programs					
Public enterprise funds:					
Price support and related pro- grams:.....351					
Contract authorization (per- manent, indefinite).	1,006,154	2,064,243		-2,064,243	

Liquidation of contract authorization.						
Reimbursement for net realized losses.	NOA	1,319,838	2,712,200	(350,467)	(2,681,392)	(2,330,925)
	LA	44,213	57,995		3,523,492	811,292
	Exp.	3,122,717	3,579,005		8,000	-49,995
	NL	44,213	57,995		3,089,012	-489,993
Limitation on administrative expenses.		(31,500)	(31,500)		8,000	-49,995
Total price support and related programs.		2,325,992	4,776,443		(31,500)	
Exp.	NOA	44,213	57,995		3,523,492	-1,252,951
	LA	3,122,717	3,579,005		8,000	-49,995
	NL	44,213	57,995		3,089,012	-489,993
Special Activities					8,000	-49,995
Intragovernmental funds:						
National Wool Act (permanent, indefinite, special fund).....	NOA	34,793	72,451			
	Exp.	72,451	64,776		64,776	-7,675
Miscellaneous game bird protection.....	Exp.	-21	2		58,803	-5,973
	Exp.	13,350	222			-2
Research to increase domestic consumption of farm commodities.....	Exp.					
	Exp.					-222
Loans for conservation purposes.....	Exp.	-10,000				
	Exp.	421	618			
Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.....	Exp.				158	-460
	Exp.					

Request is for full restoration of 1961 and 1967 unrecovered losses, and all but \$250 million of the 1968 losses. This will provide sufficient operating capital for 1970.

Decrease due to lower volume of wool marketings.

(Reimbursement from Department of the Interior for grain furnished.)

(This program is carried out by the Agricultural Research Service.)

(Corporate funds are loaned to the Secretary of Agriculture to carry out the agricultural conservation program.)

(The Corporation is authorized to sell cotton released from the national stockpile. Proceeds, less costs incurred, are deposited in the Treasury as miscellaneous receipts.)

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
COMMODITY CREDIT COR- PORATION—Continued					
<i>Federal Funds—Continued</i>					
Special Activities—Continued					
Intragovernmental funds—Continued					
Export credit sales program—351					
LA	35,674	67,450	3,050	—64,400	Reflects small increase in volume of exports financed and sub- stantially higher repayments of prior years' loans.
NL	35,674	67,450	3,050	—64,400	
Subtotal	34,793	72,451	64,776	—7,675	
NOA	35,674	67,450	3,050	—64,400	(The budget reflects the following amounts owed to Commodity Credit Corporation by foreign assistance and special export programs (in thousands): —\$147,295 in 1967, —\$115,611 in 1968, \$93,239 in 1969, and none in 1970.)
LA	76,201	65,618	58,961	—6,657	
Exp. NL	35,674	67,450	3,050	—64,400	
Increase or decrease (—) in amount owed by general fund for foreign assistance programs.	31,684	208,850	—93,239	—302,089	
Total special activities fi- nanced by Commodity Credit Corporation.	34,793	72,451	64,776	—7,675	
NOA	35,674	67,450	3,050	—64,400	
LA	107,885	274,468	—34,278	—308,746	
Exp. NL	35,674	67,450	3,050	—64,400	
Total Federal funds Com- modity Credit Corporation price support and related programs and special activi- ties.	2,360,785	4,848,894	3,588,268	—1,260,626	
NOA	79,887	125,445	11,050	—114,395	
LA	3,230,602	3,853,473	3,054,734	—798,739	
Exp. NL	79,887	125,445	11,050	—114,395	

FOREIGN ASSISTANCE AND SPECIAL
EXPORT PROGRAMS*Federal Funds*

General and special funds:

Public Law 480:

NOA
Sale of agricultural commodities
for foreign currencies and for
Exp.
dollars on credit terms (title
I).....154

NOA
Commodities disposed of and
other costs incurred in con-
Exp.
nection with donations abroad
(title II).....154

NOA
Total Public Law 480.....

NOA
Bartered materials for supple-
mental stockpile.....351

NOA
Subtotal.....

Exp.
Increase (—) or decrease in amount
owed by general fund to Com-
modity Credit Corporation.

NOA
Total foreign assistance and
special export programs.

NOA
Total Federal funds Com-
modity Credit Corporation,
LA
foreign assistance programs,
Exp.
and special export programs.
NL

1,305,500	100,000	442,400	342,400	Increase is due to use of unobligated balances in 1969. Reduction in expenditures reflects continued shift from sales for foreign currencies to sales for dollars on credit; smaller volume of shipments, particularly rice, and reduced ocean transportation financing.
859,700	661,100	560,313	—100,787	
300,000	200,000	574,200	374,200	Increase is to reimburse CCC for a portion of 1969 costs. Shipments will remain at about the 1969 level.
344,596	375,600	364,548	—11,052	
1,605,500	300,000	1,016,600	716,600	Increase is for recovery of 1969 costs.
1,204,296	1,036,700	924,861	—111,839	
23,000	2,150	1,500	1,500	(Expenditures shown above have been made by the Commodity Credit Corporation in advance of appropriations in some years. This adjustment line brings the total of this group to the amounts paid by the appropriations to the Corporation during each year.)
25,888	—	—	—2,150	
1,628,500	300,000	1,018,100	718,100	
1,230,184	1,038,850	924,861	—113,989	
—31,684	—208,850	93,239	302,089	
1,628,500	300,000	1,018,100	718,100	
1,198,500	830,000	1,018,100	188,100	
3,989,285	5,148,894	4,606,368	—542,526	
79,887	125,445	11,050	—114,395	
4,429,102	4,683,473	4,072,834	—610,639	
79,887	125,445	11,050	—114,395	

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
FOREIGN AGRICULTURAL RESEARCH AND DEVELOPMENT					
Federal Funds					
General and special funds:					
Integrated foreign agricultural development program-----152			4,150	4,150	Provides a new program to stimulate the growth of agriculture in developing nations by building institutions that will provide a continuous flow of technology.
NOA Exp.			3,750	3,750	
FEDERAL CROP INSURANCE CORPORATION					
Federal Funds					
General and special funds:					
Administrative and operating expenses-----351	10,206	11,234 274	12,000	492	Increase reflects a partial shift in financing from corporate funds to direct appropriations.
NOA Exp.	10,310	11,428	11,920	492	
Public enterprise funds:					
Federal Crop Insurance Corporation fund-----351	15,255	888	165	-723	(Includes payments for insurance losses offset by premium collections. 1969 losses are estimated at 90% of premiums, the same as 1968.)
Limitation on administrative and operating expenses.	(2,407)	(2,140)	(1,648)	(-492)	Decrease reflects a partial shift in financing from the corporation fund to direct appropriation.
Total Federal funds Federal Crop Insurance Corporation.	10,206 25,565	11,508 12,316	12,000 12,085	492 -231	

RURAL ELECTRIFICATION
ADMINISTRATION*Federal Funds*

General and special funds:					
Loans (authorization to spend debt receipts).....	353	LA			
		NL	434,600	449,000	-5,700
			495,000	528,000	27,000
Repayments deposited in miscellaneous receipt accounts....		LA			
		NL	-204,335	-189,500	200
Salaries and expenses.....	353	NOA	12,457	12,805	
				624	
		Exp.	12,664	13,430	-37
Total Federal funds Rural Electrification Administration.		NOA	12,457	13,429	
		LA	230,265	254,000	-5,500
		Exp.	12,664	13,393	-37
		NL	290,665	338,500	27,200

Provides for continuation of the rural electric and telephone program at about the 1969 level.

Estimate covers administrative expense of rural electrification and telephone programs.

FARMERS HOME ADMINISTRATION

Federal Funds

General and special funds:					
Rural water and waste disposal grants.....	352	NOA	28,000	28,000	24,000
		LA	29,369	34,500	3,700
Rural renewal.....	352	NOA	300	300	100
		LA	1,300	1,300	800
		Exp.	272	303	97
		NL	1,950	1,087	1,013
Rural housing for domestic farm labor.....	352	NOA	3,500	4,250	1,450
		Exp.	1,128	4,250	1,450

Increase provides for additional planning and development grants for rural water and sewer systems.

Increase is for technical and financial assistance to 5 additional rural renewal projects to be established.

Increase is for larger program of grants to nonprofit public or private organizations for low-rent housing and related facilities.

p Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
FARMERS HOME ADMINISTRATION— Continued					
<i>Federal Funds—Continued</i>					
General and special funds—Continued					
Housing for rural trainees.....352 NOA Exp.	-----	-----	5,000 5,000	5,000 5,000	Increase is for new program of loans and grants to local organizations for housing and related facilities for rural trainees and their families while in training to improve employment capabilities.
Mutual and self-help housing.....352 NOA Exp.	-----	-----	4,000 4,000	4,000 4,000	Increase is for new program to provide grants to public or private nonprofit associations to aid the development of comprehensive plans to permit an expansion of mutual and self-help housing programs.
Salaries and expenses.....352 NOA Exp.	55,941 57,819	58,177 2,300 59,845	85,485 85,485	25,008 25,640	Increase is due primarily to increased loan programs and for servicing a greater number of outstanding loans.
Payment of sales insufficiencies.....352 NOA	13,268	-----	-----	-----	
Public enterprise funds:					
Direct loan account (authorization to spend debt receipts).....352 LA Exp. NL	600,000 —12,199 79,837	11,387 18,365	2,464 28,740 292,000 ^a	—8,923 —281,625	(Receipts and balances will finance an estimated loan program of \$337.1 million. If new insured loan legislation is enacted, direct loans will be reduced \$304 million.)

Rural housing direct loan account: Appropriation (permanent, indefinite). Authorization to spend debt receipts.	352	797	579	1,278	699	Provides for interest insufficiencies relating to 1967 sales of participation certificates. Receipts and balances will finance an estimated loan program of \$37 million in 1970.
				</		

^a Proposed for separate transmittal under proposed legislation.

^b Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
RURAL COMMUNITY DEVELOPMENT SERVICE					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses.....355 NOA	450	463 p 18	450	-31	Decrease reflects reduced activity of the Rural Community Development Service in carrying out its leadership in outreach functions.
Exp.	388	440	450	10	
Intragovernmental funds:					
Advances and reimbursements.355 Exp.	2	-----	10	10	
Total Federal funds Rural NOA	450	481	450	-31	
Community Development Exp.	390	440	460	20	
Service.					
OFFICE OF THE INSPECTOR GENERAL					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses.....355 NOA	12,129	12,421 p 588	13,925	936	Increase provides additional staff for audit and investigation activities.
Exp.	12,077	12,687	14,120	1,433	
Total Federal funds Office of the Inspector General. NOA	12,129	12,989	13,925	936	
Exp.	12,077	12,687	14,120	1,433	

PACKERS AND STOCKYARDS
ADMINISTRATION*Federal Funds*

General and special funds: 355 NOA
Salaries and expenses Exp.

Total Federal funds Packers
and Stockyards Adminis-
tration.

OFFICE OF THE GENERAL COUNSEL

Federal Funds

General and special funds: 355 NOA
Salaries and expenses Exp.

Total Federal funds Office of
the General Counsel.

OFFICE OF INFORMATION

Federal Funds

General and special funds: 355 NOA
Salaries and expenses Exp.

Total Federal funds Office of
Information.

Increase covers expansion of activities in maintenance of effective competition in packer merchandising and procurement, live-stock and poultry marketing practices, and checkweighing and testing scales.

Increase provides additional legal services for new and expanded programs.

Increase is for improving departmentwide information services.

2,640	2,810	3,309	450
2,600	^d 49 2,848		399
2,640	2,859	3,309	450
2,600	2,848	3,247	399
4,486	4,611	5,559	709
4,412	^d 239 4,813	5,522	709
4,486	4,850	5,559	709
4,412	4,813	5,522	709
1,965	1,997	2,164	109
1,637	^d 58 2,046		484
1,965	2,055	2,530	109
1,637	2,046	2,530	484

^d Proposed for separate transmittal, civilian pay act supplemental.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
OFFICE OF INFORMATION—Continued					
<i>Trust Funds</i>					
Miscellaneous contributed funds NOA (permanent).....355 Exp.	1 1	1 1	----- -----	-1 -1	Funds received from States, local organizations, and others are available for work under cooperative agreements.
NATIONAL AGRICULTURAL LIBRARY					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses.....355 NOA	2,638	3,284 940	3,227	-97	Elimination of nonrecurring amount for transfer to new facility partially offset by full year of maintenance costs at the new building.
Exp.	2,567	3,707	2,922	-785	
Library facilities.....355 Exp.	4,217	2,113	-----	-2,113	(Construction of new facility at Beltsville, Md., will be completed during 1969.)
Total Federal funds National Agricultural Library.	2,638 6,784	3,324 5,820	3,227 2,922	-97 -2,898	
<i>Trust Funds</i>					
Miscellaneous contributed funds NOA (permanent).....355 Exp.	1 1	----- -----	----- -----	----- -----	(Funds received from States, local organizations, and others are available for library services.)

OFFICE OF MANAGEMENT SERVICES					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses	NOA	2,746	2,842	3,069	111
	Exp.		o 116		
		2,609	2,951	3,061	110
Total Federal funds Office of Management Services.	NOA	2,746	2,958	3,069	111
	Exp.	2,609	2,951	3,061	110
GENERAL ADMINISTRATION					
<i>Federal Funds</i>					
General and special funds:					
Salaries and expenses	NOA	4,598	4,614	5,052	250
	Exp.		o 188		
		4,335	4,722	5,052	330
Intragovernmental funds:					
Working capital fund	Exp.	-204	75	64	-11
Total Federal funds general administration.	NOA	4,598	4,802	5,052	250
	Exp.	4,131	4,797	5,116	319
FOREST SERVICE					
<i>Federal Funds</i>					
General and special funds:					
Forest protection and utilization	NOA	285,049	242,597	258,472	-10,381
	402		a 19,324		
			o 6,932		
	Exp.	279,846	259,439	257,594	-21,169
			a 19,324		
Cooperative range improvements (special fund)	NOA	700	700	700	
	402	700	700	700	
a Proposed for separate transmittal under existing legislation, other than pay supplemental. b Proposed for separate transmittal, civilian pay act supplemental.					

Increase provides for servicing the expanded programs of 17 of the Department's agencies and offices.

Increase is to strengthen the Department's equal opportunity programs and civil rights activities.

(Finances central administrative services of the Department.)

Supplemental in 1969 is for fighting forest fires. Nonrecurring costs of fighting forest fires are partially offset by increases in 1970 for forest land management, State and private forestry co-operation, and forestry research.

These funds are advanced to and merged with the previous appropriation.

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
FOREST SERVICE—Continued					
Federal Funds—Continued					
General and special funds—Continued					
Forest roads and trails: 402					
Contract authorization:					
Current NOA	170,000	170,000	170,000		Program will construct or reconstruct about 1,038 miles of multipurpose roads.
Permanent NOA	(110,000)	(91,000)	(99,570)	(8,570)	
Liquidation of contract authorization. Exp.	105,286	101,521	102,570	1,049	
Acquisition of lands for national forests, special acts (special fund): 402	NOA	80	80		Forest receipts otherwise payable to counties in Utah, Nevada, and California are used to acquire lands within national forests.
Exp.	57	80	80		
Assistance to States for tree planting: 402	NOA	1,000	1,000		Aid is given mainly through grants for reforestation work.
Exp.	993	1,005	1,000	—5	
Other general funds: 402	Exp.	56	349	68	(Prior balances will acquire interest in existing roads or rights-of-way and land in Utah.)
Forest Service permanent appropriations (indefinite, special funds): 402	NOA	72,570	84,440	87,590	Provides for use of a portion of operating revenues from national forests and grasslands for payments to States and counties for schools, roads, and trails. A portion is transferred to and merged with the Forest roads and trails appropriation.
Exp.	70,962	83,962	87,450	3,488	
Intragovernmental funds:					
Working capital fund, Forest Service: 402	Exp.	—1,955	290	1,014	724
Advances and reimbursements: 402	Exp.	388	277	128	(Provides administrative services to national forests, research experiment stations, and other Federal agencies on a reimbursable basis.)
Total Federal funds Forest Service.	NOA	529,399	525,073	517,842	—7,231
Exp.	456,333	466,947	450,604	—16,343	

<i>Trust Funds</i>		Advances from others are used in cooperative work, such as reforestation.			
Cooperative work (permanent) -- 402	NOA Exp.	32,165 31,050	33,000 32,389	34,000 32,209	1,000 —180
SUMMARY					
Federal funds:	NOA				
(As shown in detail above) -----	LA	7,025,958	8,297,949	7,767,158	—530,791
	Exp.	1,134,058	386,845	300,468	—86,377
	NL	7,126,363	7,760,011	7,318,766	—441,245
		514,473	240,238	71,168	—169,070
Deductions for offsetting receipts:	NOA				
Proprietary receipts from the	Exp.	—1,915	—4,492	—2,577	1,915
public -----	NOA	—5,366	—2,358	—2,202	156
	Exp.	—223,646	—233,166	—243,917	—10,751
	NOA	—99,710	—106,661	—116,156	—9,495
	Exp.	(—204,335)	(—189,500)	(—189,300)	(200)
Repayments deposited in miscel-	NOA				
laneous receipt accounts (in-	LA	6,695,321	7,951,272	7,402,306	—548,966
cluded in detail above).	Exp.	1,134,058	386,845	300,468	—86,377
	NL	6,795,726	7,413,334	6,953,914	—459,420
		514,473	240,238	71,168	—169,070
Total Federal funds -----					
	NOA				
	LA	64,748	68,403	70,189	1,786
	Exp.	64,702	68,469	69,593	1,124
	NL	—2,180	—3,367	—805	2,562
Trust funds:	NOA				
(As shown in detail above) -----	Exp.				
	NL				

ANALYSIS OF BUDGET AUTHORITY AND OUTLAYS BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1968 enacted	1969 estimate	1970 estimate	Increase or decrease (—)	Explanation
DEPARTMENT OF AGRICULTURE—Continued					
SUMMARY—Continued					
Trust funds—Continued					
Deductions for offsetting receipts:					
Proprietary receipts from the					
public.....350	—31,610	—34,303	—34,989	—686	
NOA					
Exp. 400	—33,139	—34,100	—35,200	—1,100	
NOA					
Exp.					
Total trust funds-----	—1	66	—596	—662	
NOA	—47	—3,367	—805	2,562	
Exp.	—2,180				
NL					
Total Department of Agri-	6,695,320	7,951,272	7,402,306	—548,966	
culture.†	1,134,058	386,845	300,468	—86,377	
NOA					
LA	7,829,378	8,338,117	7,702,774	—635,343	
Total budget authority----					
Exp.	6,795,679	7,413,400	6,953,318	—460,082	
NL	512,293	236,871	70,363	—166,508	
Total outlays-----	7,307,972	7,650,271	7,023,681	—626,590	

†Totals for the Department are distributed as follows:

	1969				1970			
	NOA	LA	Exp.	NL	NOA	LA	Exp.	NL
Federal funds:								
Enacted/transmitted.....	8,248,750	576,345	7,712,024	429,738	7,767,271	489,768	7,320,567	552,468
Repayments.....	-----	-189,500	-----	-189,500	-----	-189,500	-----	-189,500
Separate transmittal:								
(A) Existing legislation.....	27,824	-----	27,824	-----	-----	-----	-3,013	-----
(B) Proposed legislation.....	21,375	-----	20,163	-----	-113	-----	1,212	-----
(b) Civilian pay.....	-346,677	-----	-346,677	-----	-364,852	-----	-364,852	-----
Deductions for offsetting receipts.....	-----	-----	-----	-----	-----	-----	-----	-----
Total Federal funds.....	7,951,272	386,845	7,413,334	240,238	7,402,306	300,468	6,953,914	71,168
Trust funds:								
Enacted/transmitted.....	68,403	-----	68,469	-3,367	70,189	-----	69,593	-805
Deductions for offsetting receipts.....	-68,403	-----	-68,403	-----	-70,189	-----	-70,189	-----
Total trust funds.....	-----	-----	66	-336	-----	-----	-596	-805
Total Department of Agriculture.....	7,951,272	386,845	7,413,400	236,871	7,402,306	300,468	6,953,318	70,363

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

Federal Funds

General and special funds:								
Salaries and expenses.....506 NOA	4,659	4,875	5,750	630	Increase is primarily for departmental planning and auditing.			
Exp.	4,259	4,245	5,650	767				
Intragovernmental funds:								
Working capital fund.....506 Exp.	-242	68	-----	-68	(Fund finances certain administrative services performed on a centralized basis.)			

o Proposed for separate transmittal, civilian pay act supplemental.

EXPLANATION OF PRINCIPLES USED IN COMPILING TABLES

This statement focuses attention on the more significant aspects of the summary tables, which are composed of three types:

- Tables 1 through 10 are short summary tables, often only one page in length.
- Tables 11 through 14 provide a greater breakdown of information, in support of data in the first three tables.
- Tables 15 through 20 are historical in nature, giving comparable data for earlier years to those in the first tables, and also giving information on the national income accounts and the gross national product over a longer period.

An explanation of the funding system of the Government (types of funds, types of budget authority, balances of budget authority, and kinds of action requested of Congress) is contained at the beginning of part 4 (pp. 174 to 177). A comparison of budget totals with the Federal sector of the national income accounts appears in Special Analysis A. A breakdown of selected data between Federal funds and trust funds is contained in Special Analysis B in the separate budget volume of special analyses.

Coverage of the budget.—The budget covers *all* agencies and programs administered by the Federal Government, no matter how funded. It covers both Federal funds and trust funds. Mixed-ownership (Government-private) and nonstock Government corporations are included as trust revolving funds. Privately owned corporations—such as the Federal land banks and Federal home loan banks—are excluded from the totals, as is the Federal Reserve System, but are presented as annexed budgets. The municipal government of the District of Columbia is excluded. Moneys held in suspense as deposit funds are also excluded.

A breakdown of budget authority and budget outlays between an *expenditure account* and a *loan account* is provided to focus attention on the difference in economic impact between *expenditures* which add directly to the income of the recipient, and *loans* which the borrower must repay, and which give the lender (the Government) a financial asset. The portion of budget authority which permits obligations for expenditure is called *new obligational authority*. The portion which permits obligations in the loan account is called *loan authority*.

Contents of the loan account.—Transactions in the loan account are limited to those affecting the principal amount of loans outstanding and, in a few cases, the unamortized premium or discount

where the loan is in the form of a mortgage purchase. Administrative and operating expenses, interest, writeoffs of loans, and other costs and revenues are counted in the expenditure account. Therefore, loan *disbursements* equal checks issued to make loans less writeoffs and losses, and plus recoveries of loans previously written off. Loan *repayments* equal collections on the principal of loans.

The loan account *excludes* (and the expenditure account includes) lending programs which lack certain characteristics of a normal loan program (for example, nonrecourse loans of the Commodity Credit Corporation, and loans where repayment is contingent upon some future happening, such as the discovery of minerals) and foreign loans not on commercial terms.

Consolidation of funds.—Certain payments between funds are accounted for as expenditures of one fund and as receipts of another in financial statements that relate to the individual funds. When all funds are consolidated into a single schedule as in the budget, the duplication involved in the interfund and intragovernmental transactions must be eliminated. This is generally done by deducting the amounts involved from both the outlays and the budget authority for the agency receiving the payment. However, in a few cases where the payment is in the nature of a transfer of receipts, the deduction is made instead from the agency making payment.

In two situations the interfund and intragovernmental transactions are not deducted from the figures of any agency or function, but appear as special deduct lines in computing total outlays and budget authority for the Government as a whole. One of these constitutes the Government's payments as employer into trust funds for retirement of its employees. The other consists of the interest receipts of the trust funds.

Basis for figures.—Receipts and repayments reflect collections. Outlays are stated in terms of checks issued. Where cash is paid in lieu of checks, such payments are counted. The accrual basis is generally used for interest on the public debt; in the case of bonds and notes where interest expense of the Government is reflected in periodic changes in redemption value, the interest expenditure is counted when the redemption value changes.

Receipts and offsets against expenditures.—All expenditure figures used in the budget are net of the following types of receipts:

- Refunds of previous erroneous expenditures, to the extent that statutes permit the money to be used again without further congressional action.
- Collections of revolving funds, management funds, and trust revolving funds.

- Reimbursements to appropriations where the law permits such reimbursements to be merged with appropriations.

Other receipts from the public (apart from loan repayments, discussed above) fall into two classes, treated as follows:

- Those that are collected because of the sovereign or other compulsory powers of the Government are reported as budget receipts. Gifts and contributions (as distinguished from payments for services or cost-sharing deposits by State and local governments) are also counted as budget receipts.
- Receipts which arise out of the proprietary activities of the Government—that is, interest, sale of property and products, charges for nonregulatory services, rents and royalties, etc.—are not counted as budget receipts, but are offset against expenditures in total for each agency and for each function. They are offset against new obligational authority in similar amounts. These offsets are shown separately from the individual entries in detailed tables such as those in parts 3 and 4; the offsets have already occurred, line by line, in the summary tables of part 5 (except for tables 4, 5, and 6).

Transactions not counted as receipts or expenditures.—The proceeds from borrowing are not receipts. Repayments of borrowing are not expenditures. These rules are applied whether the borrowing is by the Treasury in the form of public debt, or by individual agencies in the form of agency debt. The sale of certificates representing participation in the ownership of a pool of loans under the Participation Sales Act of 1966 or under comparable circumstances is considered to be borrowing.

Debt instruments issued in lieu of checks, in payment of subscriptions to international lending organizations, are not considered borrowing or an expenditure, but remain a part of the obligated balances until they are cashed, at which time they become an expenditure. These differ only in form, and not in substance, from letters of credit and open-book balances for unpaid obligations.

The Government's deposits with the International Monetary Fund (IMF) are considered similar to cash assets. Therefore the movement of money between the IMF and the Treasury is not in itself considered a receipt or expenditure, borrowing or lending.

Historical tables.—Except where otherwise indicated, data for prior years in the various tables are stated on the same basis as the data for 1969 and 1970. Because the present concepts were first used only a year ago, older data shown in these tables often represents a restatement, on present principles, of information previously compiled and published on the basis of older concepts.

Table 1. BUDGET SUMMARY (in millions of dollars)

Description		1968 actual	1969 estimate	1970 estimate
Budget authority (largely appropriations):				
Available through current action by Congress:				
Previously enacted.....		134,444	127,832	-----
Proposed in this budget.....			4,813	143,867
Available without current action by Congress.....		67,758	75,284	80,168
Deductions for offsetting receipts ¹		-11,554	-13,309	-13,923
Total budget authority.....		190,649	194,620	210,116
Receipts, expenditures, and net lending:				
Expenditure account:				
Receipts.....		153,676	186,092	198,686
Expenditures (excludes net lending).....		172,830	182,315	194,356
Expenditure account, surplus or deficit (-).....		-19,153	3,777	4,330
Loan account:				
Loan disbursements.....		20,422	12,478	8,113
Loan repayments.....		14,389	11,092	7,197
Net lending.....		6,032	1,386	916
Total budget:				
Receipts.....		153,676	186,092	198,686
Outlays (expenditures and net lending).....		178,862	183,701	195,272
Budget surplus or deficit (-).....		-25,187	2,391	3,414
Budget financing:				
Net borrowing from the public or repayment of borrow-				
ing (-).....		23,095	-3,091	-4,000
Other means of financing.....		2,092	700	586
Total budget financing.....		25,187	² -2,391	-3,414
MEMORANDUM				
		1967 actual		
Outstanding debt, end of year:				
Gross Federal debt.....	341,309	369,724	365,159	371,482
Held by the public.....	267,491	290,586	276,586	272,586
Outstanding loans, end of year:				
Direct loans (in loan account).....		40,143	³ 29,359	30,266
Guaranteed and insured loans.....		108,071	120,774	141,344

¹ These consist of interfund and intragovernmental transactions and proprietary receipts from the public.

² Excludes \$10,803 million of net credits for conversion of mixed-ownership enterprises to private ownership. See table 9.

³ Reflects conversion of mixed-ownership enterprises with loans of \$12,221 million.

Table 2. BUDGET RECEIPTS, OUTLAYS, AND BUDGET AUTHORITY
(in millions of dollars)

Description	1968 actual	1969 estimate	1970 estimate
Receipts by source:			
Individual income taxes.....	68,726	84,400	90,400
Corporation income taxes.....	28,665	38,100	37,900
Social insurance taxes and contributions:			
Employment taxes and contributions.....	29,224	34,842	39,863
Unemployment insurance.....	3,346	3,300	3,575
Contributions for other insurance and retirement.....	2,051	2,366	2,431
Excise taxes.....	14,079	14,800	15,700
Estate and gift taxes.....	3,051	3,200	3,400
Customs duties.....	2,038	2,300	2,300
Miscellaneous receipts.....	2,498	2,784	3,117
Total receipts.....	153,676	186,092	198,686
Outlays by function:			
National defense.....	80,516	80,999	81,542
International affairs and finance.....	4,619	3,938	3,755
Space research and technology.....	4,721	4,247	3,947
Agriculture and agricultural resources.....	5,944	5,448	5,181
Natural resources.....	1,702	1,898	1,891
Commerce and transportation.....	8,076	8,048	8,969
Community development and housing.....	4,076	2,313	2,772
Education and manpower.....	7,012	7,165	7,887
Health and welfare.....	43,508	48,839	54,966
Veterans benefits and services.....	6,882	7,692	7,724
Interest.....	13,744	15,171	15,958
General government.....	2,632	2,948	3,275
Allowances for:			
Civilian and military pay increase.....			2,800
Contingencies.....		100	350
Undistributed intragovernmental transactions:			
Government contributions for employee retirement.....	-1,896	-2,105	-2,187
Interest received by trust funds.....	-2,674	-3,000	-3,558
Total outlays.....	178,862	183,701	195,272
Budget surplus or deficit (-).....	-25,187	2,391	3,414
Budget authority by function:			
National defense.....	79,228	79,523	82,985
International affairs and finance.....	4,769	3,405	4,342
Space research and technology.....	4,587	3,992	3,758
Agriculture and agricultural resources.....	8,461	7,077	5,721
Natural resources.....	1,885	1,843	1,708
Commerce and transportation.....	9,317	9,905	10,364
Community development and housing.....	4,360	3,551	3,694
Education and manpower.....	9,136	7,352	7,967
Health and welfare.....	49,223	57,354	64,813
Veterans benefits and services.....	7,840	7,516	7,939
Interest.....	13,744	15,171	15,958
General government.....	2,670	2,886	3,312
Allowances for:			
Civilian and military pay increase.....			2,800
Contingencies.....		150	500
Undistributed intragovernmental transactions.....	-4,570	-5,105	-5,745
Total budget authority.....	190,649	194,620	210,116

Table 3. BUDGET AUTHORITY AND OUTLAYS BY AGENCY

(in millions of dollars)

Department or other unit	Budget authority			Outlays		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
Legislative Branch.....	272	302	322	255	298	303
The Judiciary.....	93	104	116	91	102	114
Executive Office of the President.....	31	32	34	28	33	34
Funds appropriated to the President.....	4,542	4,666	5,749	4,913	5,154	5,092
Agriculture.....	7,829	8,338	7,703	7,308	7,650	7,024
Commerce.....	970	978	1,061	807	872	1,134
Defense—Military.....	76,429	76,495	80,238	77,373	77,790	78,471
Defense—Civil.....	1,353	1,267	1,206	1,300	1,247	1,259
Health, Education, & Welfare.....	44,688	51,837	59,024	40,576	46,259	51,779
Housing & Urban Development.....	5,786	3,243	3,007	4,140	2,017	2,726
Interior.....	415	494	483	264	541	569
Justice.....	437	539	825	430	516	714
Labor.....	4,452	4,511	5,079	3,271	3,688	3,902
Post Office.....	1,192	1,036	750	1,080	929	552
State.....	394	422	431	424	434	434
Transportation.....	6,499	7,431	7,953	5,732	6,011	6,991
Treasury.....	14,658	16,257	16,974	14,655	16,272	16,971
Atomic Energy Commission.....	2,508	2,571	2,438	2,466	2,451	2,571
General Services Administration.....	381	319	287	413	453	402
Nat'l Aero. & Space Admin.....	4,587	3,992	3,757	4,721	4,247	3,947
Veterans Administration.....	7,801	7,489	7,911	6,858	7,719	7,699
Other independent agencies.....	9,900	7,253	7,215	6,328	4,018	5,178
Allowances for:						
Civilian and military pay increase.....			2,800			2,800
Contingencies.....		150	500		100	350
Undistributed intragovernmental transactions:						
Government contributions for employee retirement.....	-1,896	-2,105	-2,187	-1,896	-2,105	-2,187
Interest received by trust funds.....	-2,674	-3,000	-3,558	-2,674	-3,000	-3,558
Total budget authority and outlays.....	190,649	194,620	210,116	178,862	183,701	195,272
MEMORANDUM						
Portion available through current action by Congress ¹	134,444	132,645	143,867	83,542	87,000	93,796
Portion available without current action by Congress.....	67,758	75,284	80,168	25,560	27,436	29,509
Outlays from obligated balances.....				49,071	50,624	50,543
Outlays from unobligated balances.....				32,243	31,949	35,344
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions.....	-6,881	-8,719	-9,113	-6,881	-8,719	-9,113
Proprietary receipts from the public.....	-4,674	-4,590	-4,810	-4,674	-4,590	-4,810
Total budget authority and outlays.....	190,649	194,620	210,116	178,862	183,701	195,272

¹ Budget authority excludes appropriations to liquidate contract authorizations. Outlays from such appropriations are included as outlays from balances below.

Table 4. BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION
BY CONGRESS (in millions of dollars)

Department or other unit	1968 enacted	1969 estimate			1970 estimate		
		Enacted	Later trans- mittal	Total	Trans- mitted herein	Later trans- mittal	Total
Legislative Branch.....	281	299	12	311	333	-----	333
The Judiciary.....	95	103	3	106	117	-----	117
Executive Off. of the President.....	31	31	*	32	34	-----	34
Funds approp. to the President.....	4,821	4,814	186	5,000	5,916	185	6,101
Agriculture.....	6,435	6,013	49	6,062	7,275	*	7,275
Commerce.....	919	905	10	914	1,008	-----	1,008
Defense—Military.....	76,248	73,599	3,012	76,611	80,374	-----	80,374
Defense—Civil.....	1,387	1,298	6	1,303	1,248	-----	1,248
Health, Education, & Welfare.....	14,463	14,942	666	15,607	16,527	1,639	18,166
Housing & Urban Development.....	3,352	1,637	25	1,662	2,245	—500	1,745
Interior.....	1,675	1,760	37	1,797	1,749	-----	1,749
Justice.....	442	523	21	544	829	-----	829
Labor.....	666	692	49	741	991	275	1,265
Post Office.....	1,192	840	196	1,036	1,269	—519	749
State.....	389	395	7	402	419	-----	419
Transportation.....	1,528	3,508	58	3,566	1,766	275	2,041
Treasury.....	999	1,040	20	1,061	1,092	-----	1,092
Atomic Energy Commission.....	2,509	2,571	-----	2,571	2,438	-----	2,438
General Services Admin.....	577	518	6	524	560	-----	560
Nat'l Aero. & Space Admin.....	4,589	3,995	-----	3,995	3,761	-----	3,761
Veterans Administration.....	7,557	6,975	254	7,228	7,741	—105	7,636
Other independent agencies.....	4,289	1,373	49	1,422	1,574	53	1,627
Allowances for:							
Civilian and military pay increase.....	-----	-----	-----	-----	-----	2,800	2,800
Contingencies.....	-----	-----	150	150	-----	500	500
Total budget authority available through current action by Congress.....	134,444	127,832	4,813	132,645	139,265	4,602	143,867
MEMORANDUM							
Appropriations to liquidate contract authorizations:							
Legislative Branch.....	*	1	-----	1	2	-----	2
Agriculture.....	330	631	-----	631	2,976	-----	2,976
Commerce.....	51	61	-----	61	64	-----	64
Defense—Military.....	-----	-----	-----	-----	211	-----	211
Housing & Urban Development.....	177	390	-----	390	253	-----	253
Interior.....	60	86	39	125	80	-----	80
Transportation.....	4,237	4,242	-----	4,242	4,797	-----	4,797
Other agencies.....	-----	-----	-----	-----	6	-----	6
Total appropriations to liquidate contract authorizations.....	4,855	5,410	39	5,449	8,389	-----	8,389

* Less than \$500 thousand.

Table 5. OUTLAYS FROM BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION BY CONGRESS (in millions of dollars)

Department or other unit	1968 actual	1969 estimate			1970 estimate		
		Enacted	Later trans- mittal	Total	Trans- mitted herein	Later trans- mittal ¹	Total
Legislative branch.....	240	262	11	273	290	1	290
The Judiciary.....	86	93	3	96	107	*	107
Executive Off. of the President.....	25	27	*	27	29	*	30
Funds approp. to the President.....	1,488	1,387	1	1,388	1,628	46	1,674
Agriculture.....	2,936	4,241	48	4,290	4,475	-294	4,181
Commerce.....	317	346	9	355	509	*	509
Defense—Military.....	50,287	47,902	2,425	50,328	50,034	567	50,600
Defense—Civil.....	957	871	5	876	888	*	889
Health, Education, & Welfare.....	9,999	11,081	610	11,690	12,641	1,595	14,236
Housing & Urban Development.....	461	337	15	352	703	6	709
Interior.....	973	1,043	36	1,078	1,159	40	1,199
Justice.....	401	453	20	472	650	1	652
Labor.....	396	365	48	413	532	35	567
Post Office.....	1,004	678	186	864	986	-510	476
State.....	343	366	6	373	388	*	388
Transportation.....	1,085	1,124	42	1,166	1,306	152	1,458
Treasury Department.....	921	975	19	993	1,022	2	1,024
Atomic Energy Commission.....	1,177	1,153	---	1,153	1,119	---	1,119
General Services Admin.....	434	471	6	477	519	*	519
Nat'l Aero. & Space Admin.....	3,084	2,706	---	2,706	2,580	---	2,580
Veterans Administration.....	6,110	6,401	252	6,653	7,055	-104	6,951
Other independent agencies.....	819	847	29	875	931	68	999
Allowances for:							
Civilian and military pay increase.....	---	---	---	---	---	2,800	2,800
Contingencies.....	---	---	100	100	---	350	350
Total outlays from budget authority available through current action by Congress.....	83,542	83,128	3,871	87,000	89,550	4,755	94,306
MEMORANDUM							
From appropriations to liquidate contract authorizations: ²							
Legislative branch.....	---	1	---	1	2	---	2
Funds approp. to the President.....	---	---	---	---	---	---	---
Agriculture.....	288	262	---	262	280	---	280
Commerce.....	201	197	---	197	225	---	225
Defense—Military.....	---	---	---	---	211	---	211
Health, Education, & Welfare.....	---	---	---	---	---	---	---
Housing & Urban Development.....	*	1	---	1	1	---	1
Interior.....	39	91	---	91	79	39	118
Transportation.....	4,206	4,028	---	4,028	4,787	---	4,787
Other agencies.....	---	---	---	---	6	---	6
Total outlays from appropriations to liquidate contract authorizations ³	4,735	4,580	---	4,580	5,590	39	5,629

* Less than \$500 thousand.

¹ Comprises outlays estimated to occur in 1970 from budget authority shown in table 4 under the "later transmittal" columns for both 1969 and 1970.² Not a part of outlays from budget authority shown above.³ Comprises outlays from appropriations to liquidate contract authorizations provided for in the same year.

Table 6. RELATION OF BUDGET AUTHORITY TO OUTLAYS
(in millions of dollars)

Description	1968 actual	1969 estimate	1970 estimate
<i>Budget authority available through current action by Congress:</i>			
Enacted or transmitted herein:			
Appropriations ¹	126,694	124,201	138,361
Authorizations to spend debt receipts	7,400	715	470
Contract authorizations	320	2,913	435
Reappropriations and reauthorizations	30	3	-----
Transmitted separately:			
Appropriations ¹	-----	4,803	5,102
Contract authorizations	-----	-----	-----
Authorizations to spend debt receipts	-----	10	-500
Total budget authority available through current action by Congress (table 4)	134,444	132,645	143,867
<i>Budget authority available without current action by Congress (permanent authorizations):</i>			
Appropriations ¹	57,154	66,478	72,087
Authorizations to spend debt receipts	2,399	1,445	508
Contract authorizations	8,206	7,361	7,573
<i>Deductions for offsetting receipts (table 12):</i>			
Interfund and intragovernmental transactions	-6,881	-8,719	-9,113
Proprietary receipts from the public	-4,674	-4,590	-4,810
Total budget authority for the year (table 3)	190,649	194,620	210,116
<i>Unobligated balances and adjustments:</i>			
Unobligated balances:			
Brought forward at start of year (table 8)	134,864	142,142	139,238
Written off (rescinded, lapsed, etc.)	-2,070	² -8,580	-1,788
Carried forward at end of year (table 8)	-142,142	-139,238	-145,616
Application of new authority to prior obligations: ³			
Budget authority of year, obligated previously	-957	-1,500	-1,773
Budget authority of subsequent year, obligated currently	1,500	1,773	1,799
Obligations incurred, net (table 7)	181,844	189,218	201,976
<i>Obligated balances:</i>			
Brought forward at start of year (table 8)	78,567	81,336	86,844
Adjustments in expired accounts	-228	² -23	31
Deficiency appropriations	16	15	-----
Carried forward at end of year (table 8)	-81,336	-86,844	-93,579
Outlays (expenditures and net lending)	178,862	183,701	195,272

See footnotes at end of table.

Table 6. RELATION OF BUDGET AUTHORITY TO OUTLAYS—Continued
(in millions of dollars)

Description	1968 actual	1969 estimate	1970 estimate
MEMORANDUM			
Federal funds included above:			
Budget authority available through current action by Congress	131,680	130,653	141,088
Budget authority for the year	147,933	148,821	158,240
Obligations incurred ⁴	145,521	153,242	160,662
Outlays (expenditures and net lending) ⁴	143,105	148,160	154,722

¹ Excludes appropriations to liquidate contract authorizations.

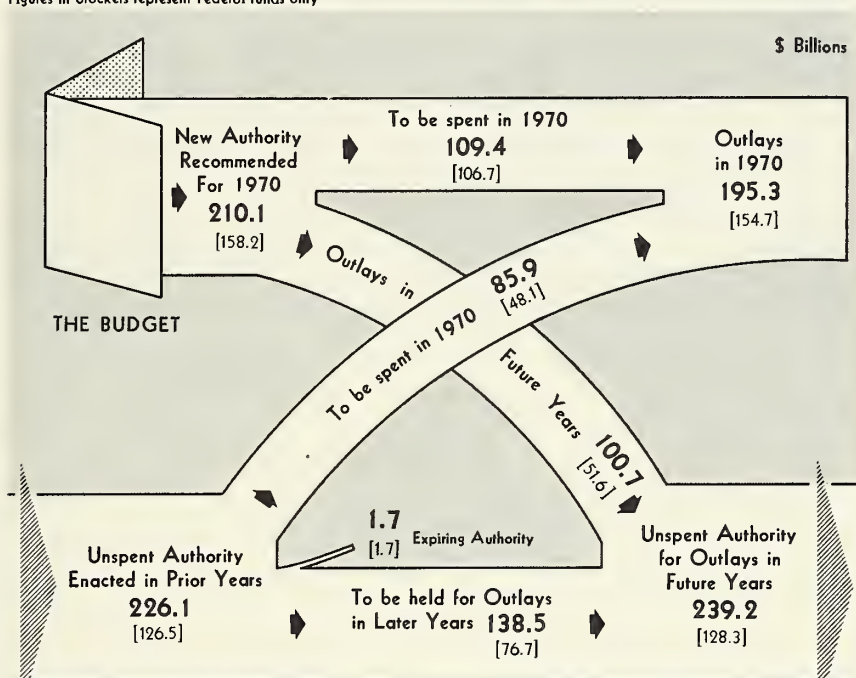
² Adjusted for amounts resulting from conversion of mixed ownership enterprises to private ownership (\$6,084 million for Federal National Mortgage Association, \$3,351 million for Federal Intermediate Credit Banks, and \$1,368 million for Banks for Cooperatives).

³ Comprises the portion of certain appropriations in the Department of Health, Education, and Welfare, and the Department of Labor, which by law are made available for obligation and expenditure in the year preceding the year for which the appropriations are made. The amount shown is equal to the obligations incurred against such advance appropriations for each year.

⁴ Amounts are net of interfund transactions and proprietary receipts from the public.

1970 Budget—Relation of Budget Authority to Outlays

Figures in brackets represent Federal funds only



NOTE: The difference between the total budget figures and Federal funds shown in brackets consists of trust funds and intragovernmental transactions between funds.

Table 7. OBLIGATIONS INCURRED, NET (in millions of dollars)

Department or other unit	1968 actual	1969 estimate	1970 estimate
Funds appropriated to the President:			
International financial institutions.....	424	505	505
Military assistance.....	493	543	559
Economic assistance.....	1,739	1,488	1,978
Office of Economic Opportunity.....	1,757	1,951	2,178
Other.....	443	483	511
Agriculture.....	7,438	8,537	7,423
Commerce.....	933	1,027	1,147
Defense—Military.....	76,136	79,716	80,708
Defense—Civil.....	1,343	1,343	1,314
Health, Education, and Welfare.....	42,167	47,147	52,019
Housing and Urban Development.....	5,698	1,126	3,715
Interior.....	382	736	603
Labor.....	3,291	3,668	4,080
Transportation.....	5,751	6,939	7,530
Treasury.....	14,657	16,256	16,977
Atomic Energy Commission.....	2,443	2,899	2,495
National Aeronautics and Space Administration.....	4,519	4,255	3,875
Veterans Administration.....	6,873	7,807	7,764
Civil Service Commission.....	2,763	1,858	2,730
Export-Import Bank.....	1,419	808	1,087
Federal Deposit Insurance Corporation.....	-251	-279	-306
Federal Home Loan Bank Board.....	-229	-336	-415
Railroad Retirement Board.....	1,349	1,492	1,594
Other agencies.....	4,876	4,204	4,353
Undistributed intragovernmental transactions.....	-4,570	-5,105	-5,745
Allowances for pay increases and contingencies.....		150	3,300
Total obligations incurred, net.....	181,844	189,218	201,976
MEMORANDUM			
Federal funds.....	145,521	153,242	160,662
Trust funds.....	42,094	43,472	49,195
Intragovernmental transactions.....	-5,771	-7,496	-7,881

Table 8. BALANCES OF BUDGET AUTHORITY (in millions of dollars)

Department or other unit	Start 1968		End 1968		End 1969		End 1970	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Funds approp. to the President:								
Int'l financial institutions.....	1,004	6,447	1,226	6,427	1,591	6,633	1,880	6,633
Military assistance.....	2,114	2,764	1,804	2,468	1,737	2,393	1,767	2,193
Economic assistance.....	3,790	860	3,685	690	3,248	391	3,364	622
Office of Econ. Opportunity.....	1,140	6	982	8	1,018	5	1,207	6
Other.....	345	112	645	111	563	-87	578	-180
Agriculture.....	5,446	2,749	5,562	2,680	6,464	2,111	6,869	2,177
Commerce.....	973	225	1,086	258	1,241	209	1,254	122
Defense—Military.....	32,077	15,116	30,884	14,829	32,818	11,594	35,055	10,970
Defense—Civil.....	302	248	345	247	441	158	496	50
Health, Education, & Welfare.....	6,403	28,043	7,820	30,778	8,669	35,729	8,908	42,756
Housing & Urban Develop.....	6,674	14,462	8,254	14,743	7,050	13,495	8,076	12,139
Interior.....	845	609	947	612	1,141	359	1,175	234
Labor.....	495	10,790	498	11,919	478	12,709	656	13,680
Transportation.....	7,271	3,409	7,286	4,154	8,531	4,679	9,070	5,102
Treasury.....	102	26	103	24	87	25	94	22
Atomic Energy Commission.....	1,138	320	1,115	385	1,563	56	1,486	-----
Nat'l Aero. & Space Admin.....	1,820	313	1,616	381	1,624	118	1,552	*
Veterans Administration.....	1,034	8,139	1,030	8,768	1,120	8,341	1,181	8,387
Civil Service Commission.....	642	17,690	701	18,505	834	20,522	981	21,936
Export-Import Bank.....	2,367	3,749	2,996	2,687	3,638	2,387	4,585	1,026
Fed. Deposit Insurance Corp.....	248	6,340	257	6,590	281	6,870	297	7,176
Fed. Home Loan Bank Board.....	30	3,468	61	3,697	33	4,033	17	4,447
Railroad Retirement Board.....	112	4,240	127	4,375	130	4,525	137	4,596
Other agencies.....	2,195	4,740	2,306	6,804	2,494	1,985	2,694	1,521
Allowance for contingencies.....	-----	-----	-----	-----	50	-----	200	-----
Total balances.....	78,567	134,864	81,336	142,142	86,844	139,238	93,579	145,616
MEMORANDUM								
Federal funds.....	69,839	54,095	72,043	54,988	77,410	49,090	83,301	44,986
Trust funds.....	8,728	80,769	9,293	87,154	9,434	90,148	10,278	100,630

*Less than \$500 thousand.

Table 9. BUDGET FINANCING AND OUTSTANDING DEBT (in millions of dollars)

BUDGET FINANCING		1968 actual	1969 estimate	1970 estimate	
Borrowing from the public or repayment of borrowing (—):					
Increase or decrease (—) in debt held by the public:					
Nonbank investors.....		12,138			
Commercial banks.....		5,445			
Federal Reserve banks.....		5,512			
Subtotal.....		23,095	—14,000	—4,000	
Debt of mixed-ownership enterprises at time of conversion ²			10,909		
Net borrowing from the public or repayment of borrowing (—).....		23,095	—3,091	—4,000	
Other means of financing:					
Decrease or increase (—) in available cash and monetary assets.....		—1,302			
Increase or decrease (—) in liabilities for:					
Checks outstanding, etc. ¹		2,197	—72	—271	
Deposit fund balances.....		830	662	543	
Charges from conversion of mixed-ownership enterprises ²			—106		
Seigniorage on coins.....		367	216	314	
Total other means of financing.....		2,092	700	586	
Total financing transactions applied to budget surplus (—) or deficit.....		25,187	—2,391	—3,414	
OUTSTANDING DEBT, END OF YEAR		1967 actual	1968 actual	1969 estimate	1970 estimate
Gross Federal debt:					
Public debt (issued by Treasury).....	322,853	345,324	350,203	357,409	
Agency debt (issued by agencies).....	18,455	24,400	14,956	14,073	
Total gross Federal debt.....	341,309	369,724	365,159	371,482	
Holdings by Government agencies (—):					
Public debt.....	—71,807	—76,136	—85,798	—96,413	
Agency debt.....	—2,010	—3,001	—2,775	—2,483	
Held by the public.....	267,491	290,586	276,586	272,586	
DEBT SUBJECT TO PUBLIC DEBT LIMIT, END OF YEAR					
Public debt (issued by Treasury).....	322,853	345,324	350,203	357,409	
Notes issued by Treasury to International Monetary Fund.....	3,328	2,209	1,000	1,000	
Agency and District of Columbia debt subject to limit on public debt.....	512	3,819	3,882	3,284	
Portion of public debt not subject to limit.....	—262	—654	—640	—640	
Total debt subject to public debt limit, end of year ³	326,431	350,698	354,445	361,053	

¹ Consists of the increase in checks and military payment certificates outstanding; accrued interest payable on public debt securities; and other Treasury liabilities offset by the increase in miscellaneous Treasury assets (unamortized discount from sale of public debt securities and other deferred charges).

² Credits and charges resulting from conversion of mixed ownership enterprises, to private ownership, not applied to current year budget totals (see table 6, footnote 2).

³ The applicable public debt limitations are: \$330 billion from July 1, 1966; \$336 billion from Mar. 2, 1967; and \$358 billion from July 1, 1968. The last limitation also covers certificates of participation issued in 1968; in addition, a temporary increase of \$7 billion is provided from July 1, 1968, to June 29, 1969, and each year thereafter.

Table 10. FULL-TIME PERMANENT EMPLOYMENT IN THE EXECUTIVE BRANCH

Department or other unit	End of year		
	1968 actual	1969 estimate	1970 estimate
Defense and Post Office:			
Defense—Military and Military assistance ¹	1,256,068	1,235,648	1,235,000
Post Office.....	549,623	564,501	575,700
Subtotal ¹	1,805,691	1,800,149	1,810,700
Civilian agencies other than Post Office:			
Agriculture.....	85,397	83,000	86,400
Commerce.....	26,197	25,350	26,000
Defense—Civil.....	32,062	31,310	31,364
Health, Education, and Welfare	106,834	102,581	106,700
Housing and Urban Development.....	14,983	14,772	16,800
Interior.....	61,186	59,580	60,900
Justice.....	34,424	35,600	36,600
Labor.....	9,786	9,564	9,700
State.....	25,785	25,068	24,600
Transportation.....	58,027	60,405	65,400
Treasury.....	82,132	80,200	85,100
Atomic Energy Commission.....	7,169	7,037	7,300
General Services Administration.....	37,454	36,850	38,100
National Aeronautics and Space Administration.....	32,471	31,745	31,500
Veterans Administration.....	151,023	147,634	152,300
Other agencies:			
Agency for International Development.....	17,569	16,600	15,900
Office of Economic Opportunity.....	3,106	2,891	2,900
Selective Service System.....	7,000	6,700	6,950
Small Business Administration.....	4,377	4,250	4,200
Tennessee Valley Authority.....	12,009	12,436	12,600
The Panama Canal.....	14,940	14,782	15,200
United States Information Agency.....	11,283	10,983	11,000
Miscellaneous agencies ²	32,166	31,224	32,794
Subtotal.....	867,380	850,562	880,308
Allowance for contingencies ³			2,500
Total full-time permanent employment ¹	2,673,071	2,650,711	2,693,508

Note.—The figures for 1969 and 1970 include tentative estimates for employment under appropriations proposed for later transmittal. More detailed information on employment is contained in Special Analysis I, Civilian Employment in the Executive Branch, Special Analyses—Budget of the United States.

¹ Data for each year include 42,000 Army and Air Force National Guard civilian technicians who were converted by law to Federal employment status as of Jan. 1, 1969. Salaries of these technicians have been and will continue to be paid by the Federal Government.

² Excludes member-employees of the U.S. Soldiers' Home.

³ Subject to later distribution.

Table 11. BUDGET RECEIPTS BY SOURCE (in millions of dollars)

Source	1968 actual	1969 estimate	1970 estimate
Individual income taxes:			
Withheld.....	57,301	70,600	79,800
Other.....	20,951	24,300	23,400
Gross individual income taxes.....	78,252	94,900	103,200
Refunds.....	-9,527	-10,500	-12,800
Net individual income taxes.....	68,726	84,400	90,400
Corporation income taxes:			
Refunds.....	29,897	39,400	39,200
	-1,232	-1,300	-1,300
Net corporation income taxes.....	28,665	38,100	37,900
Social insurance taxes and contributions (trust funds):			
Employment taxes and contributions:			
Old-age and survivors insurance.....	22,265	26,006	28,927
Proposed legislation.....			1,300
Disability insurance.....	2,651	3,529	3,685
Proposed legislation.....			400
Hospital insurance.....	3,493	4,424	4,631
Railroad retirement.....	814	883	897
Proposed legislation.....			23
Total employment taxes and contributions.....	29,224	34,842	39,863
Unemployment insurance:			
State taxes deposited in Treasury ¹	2,605	2,530	2,500
Federal unemployment tax receipts ¹	601	634	665
Proposed legislation.....			278
Railroad unemployment tax receipts ¹	140	136	132
Total unemployment insurance.....	3,346	3,300	3,575
Contributions for other insurance and retirement:			
Supplementary medical insurance.....	698	905	917
Federal employees' retirement—employee contribu- tions.....	1,332	1,439	1,490
Other retirement contributions ²	20	22	24
Total contributions for other insurance and re- tirement.....	2,051	2,366	2,431
Total social insurance taxes and contributions.....	34,620	40,508	45,859
Excise taxes:			
Manufacturers' excise taxes:			
Federal funds:			
Gasoline.....	30	28	28
Passenger automobiles.....	1,531	1,900	1,860
Firearms, shells, and cartridges.....	31	35	37
Fishing rods, creels, etc.....	9	10	11
Pistols and revolvers.....	5	5	5
Other.....	2	1	1
Refunds.....	-11	-5	-5
Total Federal funds.....	1,597	1,974	1,937
Trust funds (highway):			
Gasoline.....	3,002	3,109	3,229
Automobiles, trucks, buses, and trailers.....	510	544	570
Tires, innertubes, and tread rubber.....	512	541	577
Diesel fuel used on highways ³	208	219	240
Proposed legislation.....			105
Use-tax on certain vehicles ³	98	108	109
Proposed legislation.....			136

See footnotes at end of table.

Table 11. BUDGET RECEIPTS BY SOURCE (in millions of dollars)—Continued

Source	1968 actual	1969 estimate	1970 estimate
Excise taxes—Continued			
Manufacturers' excise taxes—Continued			
Trust funds (highway)—Continued			
Truck parts and accessories.....	81	83	87
Lubricating oils.....	82	94	100
Refunds.....	-114	-223	-190
Total trust funds (highway).....	4,379	4,475	4,963
Total manufacturers' excise taxes.....	5,975	6,449	6,900
Alcohol taxes:			
Distilled spirits.....	3,156	3,310	3,460
Beer.....	960	1,000	1,020
Rectification tax.....	28	30	31
Wines.....	125	132	137
Special taxes in connection with liquor occupations.....	18	17	17
Refunds.....	-99	-110	-112
Total alcohol taxes.....	4,189	4,379	4,553
Tobacco taxes:			
Cigarettes (small).....	2,066	2,070	2,070
Cigars (large).....	55	53	52
Cigarette papers and tubes.....	1	1	1
Other.....	1	1	1
Refunds.....	-1	-1	-1
Total tobacco taxes.....	2,121	2,124	2,123
Documents (repealed).....	49		
Retailers' excise tax (repealed).....	1		
Miscellaneous excise taxes:			
General and toll telephone and teletype service.....	1,105	1,270	1,350
Transportation of persons by air.....	199	240	260
Proposed legislation.....			95
Other aviation user charges (proposed legislation).....			41
Waybill tax (proposed legislation).....			18
Fuel used on inland waterways (proposed legislation).....			7
Wagering taxes, including occupational taxes.....	5	5	5
Sugar tax.....	102	103	104
Coin-operated gaming devices.....	15	15	15
Interest equalization tax.....	98	50	50
Foreign insurance policies.....	18	19	20
Other.....	4	1	1
Refunds.....	-16	-16	-16
Total miscellaneous excise taxes.....	1,532	1,687	1,950
Undistributed depositary receipts and unapplied collections.....	212	161	174
Total excise taxes.....	14,079	14,800	15,700
Estate and gift taxes.....	3,051	3,200	3,400
Customs duties.....	2,038	2,300	2,300

See footnotes at end of table.

Table 11. BUDGET RECEIPTS BY SOURCE (in millions of dollars)—Continued

Source	1968 actual	1969 estimate	1970 estimate
Miscellaneous receipts: ⁴			
Miscellaneous taxes.....	42	46	53
Deposit of earnings, Federal Reserve System.....	2,091	2,588	2,900
Fees for permits and regulatory and judicial services:			
Immigration, passport, and consular fees.....	35	34	37
Patent and copyright fees.....	26	27	28
Registration and filing fees.....	26	26	27
Fees for legal and judicial services.....	15	17	17
Miscellaneous fees for permits, licenses, etc.....	10	12	11
Proposed legislation.....			8
Total fees for permits and regulatory and judicial services.....	112	116	127
Fines, penalties, and forfeitures.....	73	23	29
War reparations and recoveries under military occupation.....	2	1	1
Gifts and contributions.....	8	12	8
Undistributed collections.....	172		
Total miscellaneous receipts.....	2,498	2,784	3,117
Total budget receipts.....	153,676	186,092	198,686
MEMORANDUM			
Federal funds.....	114,627	141,050	147,795
Trust funds.....	39,049	45,042	50,891

Note.—Estimates for 1969 and 1970 include effects of proposed legislation.

¹ Deposits by States are State payroll taxes which cover the benefit part of the program. Federal unemployment tax receipts cover administrative costs at both the Federal and State level. Railroad unemployment tax receipts cover both the benefits and administrative costs of the program for the railroads.

² Represents employer and employee contributions to the Civil Service Retirement and Disability Fund for covered employees of Government-sponsored, privately owned enterprises and the District of Columbia municipal government.

³ These taxes are technically miscellaneous excise taxes, but have been included with other highway taxes to show all highway trust fund receipts in one place.

⁴ Includes both Federal and trust funds. Trust fund amounts in miscellaneous receipts are: 1968, \$50 million; 1969, \$59 million; 1970, \$60 million.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
150 INTERNATIONAL AFFAIRS AND FINANCE—Continued						
152 Economic and financial assistance:						
Funds appropriated to the President ¹	2,408	2,199	2,966			
Department of Agriculture ¹			4			
Department of State ¹	6	6	6			
Department of Transportation ¹	11	6	3			
Other independent agencies:						
Export-Import Bank of the United States				407	558	
U.S. Section of the United States-Mexico Commission on Border Development and Friendship			2			
Total 152	2,425	2,211	2,980	407	558	
153 Foreign information and exchange activities:						
Department of State ¹	51	37	41			
Other independent agencies:						
United States Information Agency ¹	194	178	179			
Total 153	245	215	220			
154 Food for Freedom:						
Department of Agriculture	1,606	300	1,017			
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions	—*	—*	—*			
Proprietary receipts from the public	—245	—242	—256			
Total international affairs and finance	4,362	2,848	4,342	407	558	
250 SPACE RESEARCH AND TECHNOLOGY						
251 Space research and technology:						
National Aeronautics and Space Administration ¹	4,590	3,997	3,763			
Deductions for offsetting receipts:						
Proprietary receipts from the public	—3	—4	—5			
Total space research and technology	4,587	3,992	3,758			

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
350 AGRICULTURE AND AGRICULTURAL RESOURCES						
351 Farm income stabilization: Department of Agriculture ¹	3,224	5,687	4,350	80	125	11
352 Financing farming and rural housing: Department of Agriculture ¹	102	94	154	824	2	35
Other independent agencies: Farm Credit Administration ¹				3,060	—*	
Total 352.....	102	94	154	3,884	2	35
353 Financing rural electrification and rural telephones: Department of Agriculture.....	12	13	13	230	260	254
354 Agricultural land and water resources: Department of Agriculture.....	362	342	248			
355 Research and other agricultural services: Department of Agriculture ¹	608	641	692			
Other independent agencies: Temporary study commissions.....	*					
Total 355.....	608	641	692			
Deductions for offsetting receipts: Interfund and intragovernmental transactions.....	—5	—6				
Proprietary receipts from the public.....	—37	—81	—37			
Total agriculture and agricultural resources.....	4,267	6,690	5,420	4,195	387	300
400 NATURAL RESOURCES						
401 Water resources and power: Department of Agriculture ¹	103	95	100			
Department of Defense—Civil ¹	1,332	1,239	1,178			
Department of the Interior ¹	785	757	778	14	2	4
Department of State.....	15	9	8			
Other independent agencies: Federal Power Commission.....	15	16	17			
Intergovernmental agencies.....	*	*	*			
Temporary study commissions.....		*	1			
Tennessee Valley Authority.....	61	50	56			
Water Resources Council ¹	4	5	5			
Total 401.....	2,316	2,171	2,143	14	2	4

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
400 NATURAL RESOURCES—Con.						
402 Land management:						
Department of Agriculture ¹	562	558	552	-----	-----	-----
Department of the Interior ¹	153	163	159	-----	-----	-----
Other independent agencies: Temporary study commissions.....	3	1	1	-----	-----	-----
Total 402.....	718	722	712	-----	-----	-----
403 Mineral resources:						
Department of the Interior ¹	77	82	83	-----	-----	-----
404 Fish and wildlife resources:						
Department of Defense—Civil.....	*	*	*	-----	-----	-----
Department of the Interior ¹	160	161	164	-----	-----	-----
Department of State.....	2	2	2	-----	-----	-----
Total 404.....	162	164	167	-----	-----	-----
405 Recreational resources:						
Department of the Interior ¹	257	317	308	-----	-----	-----
Other independent agencies: Historical and memorial commissions.....	*	*	*	-----	-----	-----
Total 405.....	257	317	308	-----	-----	-----
409 General resource surveys and administration:						
Department of the Interior.....	99	105	113	-----	-----	-----
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions.....	—*	—1	—1	-----	-----	-----
Proprietary receipts from the public.....	—1,758	—1,719	—1,822	-----	-----	-----
Total natural resources.....	1,871	1,841	1,704	14	2	4
500 COMMERCE AND TRANSPORTATION						
501 Air transportation:						
Department of Transportation.....	915	932	1,272	-----	-----	-----
Other independent agencies: Civil Aeronautics Board.....	52	45	37	-----	-----	-----
Total 501.....	968	977	1,308	-----	-----	-----
502 Water transportation:						
Department of Commerce.....	402	379	287	—8	—7	—7
Department of Transportation ¹	527	557	570	-----	-----	-----
Other independent agencies: Temporary study commissions.....	6	5	1	-----	-----	-----
Total 502.....	935	942	858	—8	—7	—7

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
500 COMMERCE AND TRANSPORTATION—Continued						
503 Ground transportation:						
Department of Housing and Urban Development.....	125	7	8			
Department of Transportation ¹	5,064	5,910	6,029		31	50
Total 503.....	5,189	5,917	6,037		31	50
505 Postal service:						
Post Office Department.....	1,192	1,036	750			
506 Advancement of business:						
Department of Commerce ¹	322	343	486			
Department of Transportation ¹	17	21	50			
Other independent agencies:						
Small Business Administration.....	16	22	28	150		25
Temporary study commissions.....		1	2			
Total 506.....	355	387	566	150		25
507 Area and regional development:						
Funds appropriated to the President ¹	127	174	288			
Department of Commerce ¹	206	207	239	74	75	73
Department of the Interior ¹	185	177	148	*	*	
<i>Includes Indian programs</i>	(185)	(174)	(138)	*	*	
Other independent agencies:						
Federal Field Committee for Development Planning in Alaska ¹	*	*	*			
Intergovernmental agencies ¹	3	2	3			
National Council on Indian Opportunity.....		*	*			
Total 507.....	520	561	677	74	75	73
508 Regulation of business:						
Department of Commerce.....	5	9	10			
Department of Justice.....	8	8	9			
Other independent agencies:						
Civil Aeronautics Board.....	9	10	10			
Federal Communications Commission.....	19	21	24			
Federal Maritime Commission.....	4	4	4			
Federal Trade Commission.....	15	17	20			
Interstate Commerce Commission.....	24	25	26	-1	—*	—*
Securities and Exchange Commission.....	18	19	20			
Total 508.....	102	112	123	-1	—*	—*
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions.....	-59	-40	-7			
Proprietary receipts from the public.....	-100	-86	-88			
Total commerce and transportation.....	9,101	9,807	10,224	216	99	140

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
550 COMMUNITY DEVELOPMENT AND HOUSING						
551 Concentrated community development:						
Funds appropriated to the President ¹	606	672	751	14	4	8
Department of Housing and Urban Development.....	212	312	750	-----	-----	-----
Total 551.....	818	985	1,501	14	4	8
552 Community environment:						
Department of Housing and Urban Development.....	865	1,079	1,128	-----	-----	-----
553 Community facilities:						
Department of Housing and Urban Development.....	204	210	204	80	—*	*
554 Community planning and administration:						
Department of Housing and Urban Development.....	84	73	126	-----	-----	-----
555 Low and moderate income housing aids:						
Department of Housing and Urban Development.....	319	410	626	925	550	78
556 Maintenance of the housing mortgage market:						
Department of Housing and Urban Development ¹	-----	256	23	1,063	45	-----
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions.....	—12	—59	-----	-----	-----	-----
Proprietary receipts from the public.....	—*	—*	—*	-----	-----	-----
Total community development and housing.....	2,278	2,953	3,607	2,082	598	87
600 EDUCATION AND MANPOWER						
601 Elementary and secondary education:						
Funds appropriated to the President.....	345	348	398	-----	-----	-----
Department of Health, Education, and Welfare.....	2,275	2,108	1,973	1	1	—*
Total 601.....	2,620	2,456	2,371	1	1	—*

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
600 EDUCATION AND MAN-POWER—Continued						
602 Higher education:						
Department of Health, Education, and Welfare.....	1,201	753	979	102	101	3
Department of Housing and Urban Development.....	21	59	65	1,900	300	-----
Treasury Department.....	-----	5	-----	-----	-----	-----
Total 602.....	1,222	817	1,044	2,002	401	3
603 Vocational education:						
Department of Health, Education, and Welfare.....	273	256	303	-----	-----	-----
604 Manpower training:						
Funds appropriated to the President, Department of Health, Education, and Welfare.....	802	926	1,022	-----	-----	-----
Department of Labor.....	10	118	165	-----	-----	-----
-----	437	438	733	-----	-----	-----
Total 604.....	1,249	1,481	1,920	-----	-----	-----
605 Science education and basic research:						
National Science Foundation ¹	495	400	500	-----	-----	-----
609 Other education and manpower aids:						
Legislative Branch ¹	40	45	48	-----	-----	-----
Department of Health, Education, and Welfare.....	286	459	419	-----	-----	-----
Department of the Interior.....	184	182	224	-----	-----	-----
Includes Indian programs.....	(173)	(168)	(209)	-----	-----	-----
Department of Labor ¹	682	743	1,030	-----	-----	-----
Other independent agencies:						
Equal Employment Opportunity Commission.....	7	9	16	-----	-----	-----
Federal Coal Mine Safety Board of Review.....	*	*	*	-----	-----	-----
Federal Mediation and Conciliation Service.....	7	8	8	-----	-----	-----
National Mediation Board.....	2	2	2	-----	-----	-----
National Foundation on the Arts and the Humanities ¹	13	19	19	-----	-----	-----
National Labor Relations Board.....	32	36	37	-----	-----	-----
President's Committee on Consumer Interests.....	*	*	1	-----	-----	-----
President's Council on Youth Opportunity.....	-----	-----	*	-----	-----	-----
Smithsonian Institution ¹	34	49	41	-----	-----	-----
Total 609.....	1,289	1,554	1,845	-----	-----	-----

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
600 EDUCATION AND MANPOWER—Continued						
Deductions for offsetting receipts:						
Proprietary receipts from the public	-16	-14	-18			
Total education and manpower	7,133	6,950	7,964	2,003	402	3
650 HEALTH AND WELFARE						
651 Health:						
Department of Health, Education, and Welfare ^{1 3}	10,612	12,369	13,640	-15	—*	7
Includes Indian programs	(102)	(110)	(120)			
652 Income security payments:						
The Judiciary (trust funds)	1	1	1			
Department of Health, Education, and Welfare ^{1 3}	29,686	35,119	40,689	-185	4	4
Department of Labor ¹	3,394	3,266	3,265	-114		
Department of State ¹	11	23	15			
Other independent agencies:						
Civil Service Commission ^{1 3}	2,954	4,353	3,991	481	-595	
Railroad Retirement Board ^{1 3}	1,484	1,647	1,618	-64	-50	
Total 652	37,530	44,408	49,579	118	-641	4
653 Social and individual services:						
Funds appropriated to the President	20	10	20			
Department of Agriculture	512	637	707			
Department of Health, Education, and Welfare	446	555	839			
Other independent agencies: Railroad Retirement Board	18	18	19			
Total	996	1,220	1,586			
Deductions for offsetting receipts: ⁵						
Interfund and intragovernmental transactions						
Proprietary receipts from the public	-18	-2	-2			
Total health and welfare	49,120	57,995	64,802	103	-641	12
800 VETERANS BENEFITS AND SERVICES						
801 Veterans service-connected compensation:						
Veterans Administration	2,466	2,605	2,695			
802 Veterans non-service-connected pensions:						
Veterans Administration	2,048	2,132	2,191			

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
800 VETERANS BENEFITS AND SERVICES—Continued						
803 Veterans readjustment benefits: Veterans Administration.....	908	409	915	370	225	-166
804 Veterans hospitals and medical care: Veterans Administration.....	1,479	1,543	1,721			
805 Other veterans benefits and services: Department of Defense—Civil ¹	30	24	25			
Veterans Administration ¹	1,139	1,015	986	-110	48	55
Other independent agencies: American Battle Monuments Commission ¹	2	2	3			
Total 805.....	1,171	1,042	1,014	-110	48	55
Deductions for offsetting receipts: Interfund and intragovernmental transactions.....	-5	-6	-6			
Proprietary receipts from the public.....	-487	-484	-480			
Total veterans benefits and services..	7,580	7,242	8,051	260	274	-112
850 INTEREST						
851 Interest on the public debt: Treasury Department.....	14,573	16,000	16,800			
852 Interest on refunds of receipts: Treasury Department.....	120	126	137			
853 Interest on uninvested funds: Treasury Department.....	10	11	11			
Deductions for offsetting receipts: Interfund and intragovernmental transactions.....	-646	-716	-694			
Applicable receipts from the public.....	-313	-250	-296			
Total interest.....	13,744	15,171	15,958			
900 GENERAL GOVERNMENT						
901 Legislative functions: Legislative branch.....	184	201	207			
902 Judicial functions: The Judiciary.....	95	106	117			
Other independent agencies: Indian Claims Commission.....	1	1	1			
Total 902.....	96	107	118			

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
900 GENERAL GOVERNMENT—Con.						
903 Executive direction and management:						
Executive Office of the President.....	28	28	31	-----	-----	-----
Funds appropriated to the President..	1	1	1	-----	-----	-----
Treasury Department.....	1	1	1	-----	-----	-----
General Services Administration.....	*	1	*	-----	-----	-----
Other independent agencies:						
Federal Radiation Council.....	*	*	*	-----	-----	-----
Temporary study commissions.....	-----	1	1	-----	-----	-----
Total 903.....	31	33	35	-----	-----	-----
904 Central fiscal operations:						
Legislative Branch.....	54	60	63	-----	-----	-----
Treasury Department ¹	947	1,040	1,111	—*	—*	-----
Other independent agencies:						
Renegotiation Board.....	3	3	4	-----	-----	-----
Tax Court of the United States ¹ ...	2	3	3	-----	-----	-----
Temporary study commissions.....	-----	-----	-----	-----	-----	-----
Total 904.....	1,006	1,106	1,180	—*	—*	-----
905 General property and records management:						
General Services Administration ¹	536	479	515	1	10	8
906 Central personnel management:						
Department of Labor ¹	56	64	55	-----	-----	-----
Other independent agencies:						
Civil Service Commission.....	148	151	156	-----	-----	-----
Temporary study commissions.....	*	*	-----	-----	-----	-----
Total 906.....	205	216	211	-----	-----	-----
908 Law enforcement and justice:						
Department of Justice ¹	434	535	820	-----	-----	-----
Treasury Department.....	22	23	29	-----	-----	-----
Other independent agencies:						
Administrative Conference of the United States.....	*	*	*	-----	-----	-----
Commission on Civil Rights.....	3	3	3	-----	-----	-----
Interagency Committee on Mexican-American Affairs.....	-----	-----	1	-----	-----	-----
Subversive Activities Control Board.....	*	*	*	-----	-----	-----
Temporary study commissions.....	*	*	*	-----	-----	-----
Total 908.....	459	562	853	-----	-----	-----

See footnotes at end of table.

Table 13. BUDGET AUTHORITY BY FUNCTION AND AGENCY
(in millions of dollars)—Continued

Function and department or other unit	NEW OBLIGATIONAL AUTHORITY			LOAN AUTHORITY		
	1968 actual	1969 estimate	1970 estimate	1968 actual	1969 estimate	1970 estimate
900 GENERAL GOVERNMENT—Con.						
909 National capital region:						
Commission of Fine Arts.....	*	*	*			
District of Columbia.....	85	94	116	73	89	89
Other independent agencies:						
Intergovernmental agencies.....	*	44	49			
National Capital Planning Commission ¹	1	1	2			
Temporary study commissions.....			*	—*	—*	
Total 909.....	86	140	167	73	89	89
910 Other general government:						
Legislative branch.....	7	8	18			
Department of Defense—Civil.....	56	60	64			—*
Department of the Interior.....	54	53	65	4	3	4
Treasury Department ¹	144	115	82			
Other independent agencies:						
Historical and memorial commissions ¹	*		*			
Intergovernmental agencies ¹	1	1	1			
Total 910.....	261	236	230	4	3	4
Deductions for offsetting receipts:						
Interfund and intragovernmental transactions.....	—87	—95	—100			
Proprietary receipts from the public.....	—185	—201	—205			
Total general government.....	2,592	2,783	3,212	78	102	100
Allowances for:						
Civilian and military pay increase.....			2,800			
Contingencies.....		150	500			
Undistributed intragovernmental payments:						
Government contributions for employee retirement.....	—1,896	—2,105	—2,187			
Interest received by trust funds.....	—2,674	—3,000	—3,558			
Total new obligatory authority and loan authority.....	181,294	192,844	209,583	9,355	1,776	533
MEMORANDUM						
Federal funds.....	142,119	146,474	157,805	5,815	2,347	435
Trust funds.....	44,946	53,866	59,659	3,540	—570	98
Intragovernmental transactions.....	—5,771	—7,496	—7,881			

* Less than \$500 thousand.

¹ Includes both Federal and trust funds.

² Net of interfund and intragovernmental transactions, and proprietary receipts from the public.

³ Net of interfund and intragovernmental transactions.

⁴ Excludes offsetting receipts which have been distributed by subfunction above: 1968, \$1,127; 1969, \$1,119; 1970, \$1,144.

⁵ Excludes offsetting receipts which have been distributed by subfunction above: 1968, \$1,488; 1969, \$2,684; 1970, \$2,552.

Table 17. BUDGET OUTLAYS BY FUNCTION 1959-1970 (in millions of dollars)

Function	Actual										Estimate	
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
050 National defense:												
051 Defense—Military ¹	41,467	41,479	43,294	46,916	48,143	49,577	45,973	54,179	67,457	77,373	77,790	78,471
057 Military assistance ¹	2,236	1,631	1,351	1,337	1,406	1,209	1,125	1,003	858	654	610	529
058 Atomic energy ¹	2,541	2,623	2,713	2,806	2,758	2,764	2,625	2,403	2,264	2,466	2,451	2,571
059 Defense-related activities.....	379	244	104	92	24	172	136	-62	-17	139	282	171
Deductions for offsetting receipts ²	-5	-69	-80	-53	-74	-130	-281	-738	-481	-116	-135	-200
Total national defense.....	46,617	45,908	47,383	51,097	52,257	53,591	49,578	56,785	70,081	80,516	80,999	81,542
150 International affairs and finance:												
151 Conduct of foreign affairs.....	236	214	216	248	346	296	347	315	336	354	372	385
152 Economic and financial assistance.....	1,942	1,391	1,877	2,325	1,968	1,756	2,041	2,329	3,057	3,053	2,527	2,465
153 Foreign information and exchange activities.....	139	137	158	197	201	207	223	227	245	253	244	236
154 Food for Freedom.....	1,299	1,458	1,823	1,947	2,040	2,049	1,852	1,784	1,452	1,204	1,037	925
Deductions for offsetting receipts.....	-349	-146	-716	-226	-441	-191	-123	-165	-542	-245	-242	-256
Total international affairs and finance.....	3,267	3,054	3,357	4,492	4,115	4,117	4,340	4,490	4,547	4,619	3,938	3,755
250 Space research and technology:												
251 Space research and technology.....	146	401	744	1,257	2,552	4,171	5,093	5,934	5,426	4,724	4,251	3,952
Deductions for offsetting receipts.....	-*	-*	-*	-*	-*	-1	-2	-1	-2	-3	-4	-5
Total space research and technology.....	145	401	744	1,257	2,552	4,170	5,091	5,933	5,423	4,721	4,247	3,947
350 Agriculture and agricultural resources:												
351 Farm income stabilization.....	4,057	2,222	2,172	2,870	3,710	3,803	3,234	1,932	2,536	3,934	4,509	3,921
352 Financing farming and rural housing.....	476	271	317	397	546	471	573	698	717	779	-335	-123
353 Financing rural electrification and rural telephones.....	209	222	191	167	180	187	215	214	244	303	352	379
354 Agricultural land and water resources.....	346	324	347	368	324	325	342	347	353	351	353	351
355 Research and other agricultural services.....	309	312	344	363	415	441	485	531	570	618	655	691
Deductions for offsetting receipts.....	-32	-29	-30	-34	-36	-41	-42	-43	-44	-42	-87	-37
Total agriculture and agricultural resources.....	5,365	3,322	3,340	4,131	5,139	5,186	4,807	3,679	4,376	5,944	5,448	5,181

See footnotes at end of table.

Table 17. BUDGET OUTLAYS BY FUNCTION, 1959-1970 (in millions of dollars)—Continued

Function	Actual										Estimate	
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
400 Natural resources:												
401 Water resources and power	1,180	1,241	1,395	1,578	1,718	1,798	1,867	2,061	2,158	2,251	2,279	2,341
402 Land management	283	305	428	382	422	459	509	556	618	639	663	645
403 Mineral resources	39	30	28	30	25	46	59	62	73	85	87	81
404 Fish and wildlife resources	69	69	74	82	95	107	122	132	137	156	164	164
405 Recreational resources	85	75	93	96	114	132	135	153	194	229	321	372
409 General resource surveys and administration	50	47	50	56	64	68	77	87	91	100	105	110
Deductions for offsetting receipts	-497	-748	-501	-539	-934	-637	-706	-1,016	-1,412	-1,758	-1,720	-1,823
Total natural resources	1,209	1,019	1,568	1,686	1,505	1,972	2,063	2,035	1,860	1,702	1,898	1,891
500 Commerce and transportation:												
501 Air transportation	494	568	716	781	808	835	875	879	945	951	1,144	1,332
502 Water transportation	436	509	569	654	672	658	728	708	765	844	885	936
503 Ground transportation	2,646	2,984	2,656	2,817	3,057	3,686	4,092	4,043	4,093	4,367	4,327	5,081
505 Postal service	774	525	914	797	770	578	805	888	1,141	1,080	929	552
506 Advancement of business	108	134	127	278	212	218	365	310	289	395	74	260
507 Area and regional development	111	120	188	132	242	538	557	315	416	501	706	781
508 Regulation of business	58	59	67	74	84	91	98	99	118	98	109	120
Deductions for offsetting receipts	-176	-125	-189	-123	-99	-123	-156	-107	-115	-159	-126	-95
Total commerce and transportation	4,451	4,774	5,048	5,410	5,745	6,482	7,364	7,135	7,652	8,076	8,048	8,969
550 Community development and housing:												
551 Concentrated community development	75	105	145	227	173	240	51	302	452	648	732	1,216
552 Community environment	25	18	15	27	36	51	46	365	465	486	801	984
553 Community facilities	-35	-72	-79	11	24	29	32	38	74	106	192	207
554 Community planning and administration	122	145	155	170	198	37	81	16	33	37	60	78
555 Low and moderate income housing aids	674	787	-36	169	-1,289	-511	-237	391	478	948	935	1,131
556 Maintenance of the housing mortgage market	-10	-11	-9	-16	-22	-31	-16	1,545	1,133	1,863	-349	-845
Deductions for offsetting receipts								-13	-19	-12	-59	-*
Total community development and housing	851	971	191	589	-880	-185	288	2,644	2,616	4,076	2,313	2,772

See footnotes at end of table.

Table 17. BUDGET OUTLAYS BY FUNCTION, 1959-1970 (in millions of dollars)—Continued

Function	Actual										Estimate	
	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
900 General government:												
901 Legislative functions.....	102	109	118	135	131	126	142	159	167	180	199	200
902 Judicial functions.....	47	49	52	57	63	66	76	79	87	94	105	117
903 Executive direction and management.....	21	20	22	22	21	22	23	24	25	27	33	35
904 Central fiscal operations.....	576	573	622	668	733	808	844	886	968	1,024	1,109	1,177
905 General property and records management.....	274	351	356	355	416	553	565	550	617	569	623	637
906 Central personnel management.....	93	82	138	151	140	172	172	174	189	211	209	211
908 Law enforcement and justice.....	255	263	289	300	323	335	366	385	426	452	539	742
909 National Capital region.....	32	30	50	73	70	58	61	73	84	104	150	235
910 Other general government.....	86	88	109	136	139	189	190	192	218	243	275	227
Deductions for offsetting receipts.....	-313	-231	-214	-196	-195	-225	-164	-161	-199	-272	-296	-305
Total general government.....	1,173	1,334	1,543	1,703	1,841	2,103	2,276	2,360	2,584	2,632	2,948	3,275
Allowances for:												
Civilian and military pay increase.....												
Contingencies.....											100	
Undistributed intragovernmental transactions:												
Government contributions for employee retirement.....	-915	-933	-1,082	-1,114	-1,189	-1,318	-1,394	-1,514	-1,734	-1,896	-2,105	-2,187
Interest received by trust funds.....	-1,323	-1,363	-1,413	-1,444	-1,485	-1,621	-1,780	-1,917	-2,275	-2,674	-3,000	-3,558
Total outlays.....	92,111	92,230	97,802	106,830	111,314	118,585	118,431	134,654	158,352	178,862	183,701	195,272
MEMORANDUM												
Federal funds	77,111	74,869	79,339	86,599	90,135	95,761	94,807	106,513	126,780	143,105	148,160	154,722
Trust funds.....	17,323	19,986	21,774	23,394	23,898	25,941	27,081	31,809	36,952	41,529	43,037	48,431
Intragovernmental transactions.....	-2,322	-2,626	-3,311	-3,163	-2,719	-3,118	-3,457	-3,668	-5,360	-5,771	-7,496	-7,881

* Less than \$500 thousand.

1 Entries net of offsetting receipts.

2 Excludes offsetting receipts which have been distributed by subfunction above.

sions, and the unguaranteed portions of loans partially covered by Federal guarantees.

Table E-1. NEW COMMITMENTS FOR FEDERAL CREDIT PROGRAMS
CLASSIFIED BY TYPE OF ASSISTANCE AND ACCOUNT
(in millions of dollars)

Agency or program	1968 actual		1969 estimate		1970 estimate	
	Direct loans	Guaranteed and insured loans	Direct loans	Guaranteed and insured loans	Direct loans	Guaranteed and insured loans
EXPENDITURE ACCOUNT						
Funds appropriated to the President:						
Military assistance.....	74	190	296	-----	250	100
Economic assistance.....	1,084	100	777	216	1,388	200
Department of Agriculture: Commodity Credit Corporation.....	2,410	-----	2,573	511	2,087	510
Department of Health, Education, and Welfare.....	235	-----	228	-----	195	-----
Other programs.....	8	-----	13	-----	28	-----
Total, expenditure account.....	3,811	290	3,887	727	3,948	810
LOAN ACCOUNT						
Funds appropriated to the President:						
Office of Economic Opportunity.....	27	-----	15	-----	19	-----
Department of Agriculture:						
Commodity Credit Corporation.....	195	-----	257	-----	236	-----
Rural Electrification Administration.....	470	-----	470	-----	470	-----
Farmers Home Administration.....	495	803	445	993	140	2,403
Department of Commerce:						
Economic Development Administration.....	64	5	65	9	107	14
Maritime Administration.....	-----	127	-----	120	-----	143
Department of Health, Education, and Welfare.....	153	436	12	641	14	794
Department of Housing and Urban Development:						
Renewal and Housing Assistance.....	766	1,300	708	2,112	809	3,124
Metropolitan Development.....	50	-----	40	50	50	100
Federal Housing Administration.....	637	13,495	421	16,752	218	21,425
Government National Mortgage Association.....	1,701	-----	1,887	500	705	2,500
Federal National Mortgage Association.....	2,662	-----	782	-----	-----	-----
Department of the Interior.....	24	5	15	10	17	14
General Services Administration.....	23	49	25	-----	25	-----
Veterans Administration:						
Housing loans and guarantees.....	433	3,829	523	4,213	197	4,948
Insurance policy loans.....	132	-----	133	-----	136	-----
District of Columbia.....	112	-----	133	-----	132	-----
Export-Import Bank.....	2,526	1,226	2,390	2,511	2,347	2,597
Farm Credit Administration:						
Banks for cooperatives.....	1,818	-----	979	-----	-----	-----
Federal intermediate credit banks.....	7,407	-----	3,119	-----	-----	-----
Federal Home Loan Bank Board.....	17	-----	32	-----	-----	-----
Small Business Administration.....	449	314	286	579	282	798
Other agencies or programs.....	10	12	50	16	68	99
Purchase of obligations of federally sponsored enterprises.....	1,193	-----	-----	-----	-----	-----
Total, loan account.....	21,362	21,600	12,787	28,504	5,973	38,959
Grand total.....	25,173	21,891	16,674	29,232	9,920	39,769

Table E-2. DISBURSEMENTS AND REPAYMENTS FOR FEDERAL CREDIT PROGRAMS CLASSIFIED BY TYPE OF ACCOUNT (in millions of dollars)

Agency or program	1968 actual		1969 estimate		1970 estimate	
	Disbursements	Repayments	Disbursements	Repayments	Disbursements	Repayments
EXPENDITURE ACCOUNT						
Funds appropriated to the President:						
Military assistance.....	44	68	25	36	138	87
Economic assistance.....	1,036	80	1,119	162	1,030	109
Department of Agriculture: Commodity Credit Corporation.....	2,379	1,236	2,541	2,194	2,051	2,438
Department of Health, Education, and Welfare.....	174	1	204	*	159	*
Treasury Department.....	2	109		46		120
Other programs.....	7	13	10	13	23	14
Total, expenditure account.....	3,642	1,507	3,898	2,450	3,401	2,768
LOAN ACCOUNT						
Funds appropriated to the President:						
Office of Economic Opportunity.....	27	10	14	13	18	13
Department of Agriculture:						
Commodity Credit Corporation.....	195	115	257	132	236	225
Rural Electrification Administration.....	495	204	528	190	555	189
Farmers Home Administration.....	1,570	1,432	1,629	1,860	2,706	3,016
Department of Commerce:						
Economic Development Administration.....	62	9	65	14	107	20
Maritime Administration.....	-3	8		9		8
Department of Health, Education, and Welfare.....	110	4	103	4	98	6
Department of Housing and Urban Development:						
Renewal and Housing Assistance.....	872	530	1,058	662	1,227	970
Metropolitan Development.....	49	4	52	5	34	6
Federal Housing Administration.....	583	524	339	266	157	85
Government National Mortgage Association.....	1,134	199	1,316	717	579	544
Federal National Mortgage Association.....	2,217	279	249	72		
Department of the Interior.....	22	4	18	6	16	6
General Services Administration.....	23	22	25	15	25	17
Veterans Administration:						
Housing loans and guarantees.....	388	130	460	159	137	226
Insurance policy loans.....	132	84	133	85	136	81
District of Columbia.....	60	39	75	43	100	44
Export-Import Bank.....	1,646	739	1,730	1,440	1,638	1,390
Farm Credit Administration:						
Banks for cooperatives.....	1,818	1,659	979	767		
Federal intermediate credit banks.....	7,407	7,011	3,119	3,355		
Federal Home Loan Bank Board.....	5	9	32	17		17
Small Business Administration.....	406	231	277	293	274	320
Other agencies or programs.....	10	17	19	16	71	13
Purchase of obligations of federally sponsored enterprises.....	1,193	1,125		954		
Total, loan account.....	20,422	14,389	12,478	11,092	8,113	7,197
Grand total.....	24,064	15,897	16,376	13,542	11,514	9,965

Table E-3. OUTSTANDING DIRECT LOANS, AND GUARANTEED AND INSURED LOANS FOR FEDERAL CREDIT PROGRAMS CLASSIFIED BY TYPE OF ACCOUNT (in millions of dollars)

Agency or program	1968 actual		1969 estimate		1970 estimate	
	Direct loans	Guaranteed and insured loans	Direct loans	Guaranteed and insured loans	Direct loans	Guaranteed and insured loans
EXPENDITURE ACCOUNT						
Funds appropriated to the President:						
Military assistance.....	19	251	8	380	59	565
Economic assistance.....	8,919	338	9,798	546	10,630	743
Department of Agriculture: Commodity Credit Corporation.....	2,227	923	2,574	1,435	2,188	1,945
Department of Health, Education, and Welfare.....	1,132	-----	1,336	-----	1,495	-----
Treasury Department.....	4,580	-----	4,534	-----	4,414	-----
Other programs.....	173	-----	170	-----	178	-----
Total, expenditure account.....	17,052	1,512	18,421	2,361	18,965	3,253
LOAN ACCOUNT						
Funds appropriated to the President:						
Office of Economic Opportunity.....	87	-----	88	-----	94	-----
Department of Agriculture:						
Commodity Credit Corporation.....	374	-----	499	-----	510	-----
Rural Electrification Administration.....	4,797	-----	5,135	-----	5,501	-----
Farmers Home Administration.....	2,371	2,339	2,144	3,350	1,837	5,507
Department of Commerce:						
Economic Development Administration.....	244	13	295	19	382	30
Maritime Administration.....	89	649	81	716	73	803
Department of Health, Education, and Welfare.....	266	762	365	1,401	457	2,179
Department of Housing and Urban Development:						
Renewal and housing assistance.....	3,529	8,482	3,925	9,619	4,182	11,520
Metropolitan development.....	329	-----	370	50	398	150
Federal Housing Administration.....	688	58,634	761	64,144	833	72,853
Government National Mortgage Association.....	3,758	-----	4,360	500	4,385	3,000
Federal National Mortgage Association.....	6,624	-----	-----	-----	-----	-----
Department of the Interior.....	183	16	195	20	205	25
General Services Administration.....	172	49	182	49	189	49
Veterans Administration:						
Housing loans and guarantees.....	2,461	33,369	2,762	34,487	2,673	36,156
Insurance policy loans.....	804	-----	853	-----	907	-----
District of Columbia.....	202	-----	234	-----	290	-----
Export-Import Bank.....	5,059	1,600	5,349	3,059	5,596	4,278
Farm Credit Administration:						
Banks for cooperatives.....	1,457	-----	-----	-----	-----	-----
Federal intermediate credit banks.....	3,940	-----	-----	-----	-----	-----
Federal Home Loan Bank Board.....	145	-----	160	-----	143	-----
Small Business Administration.....	1,549	441	1,533	797	1,487	1,267
Other agencies or programs.....	63	206	68	201	122	274
Obligations of federally sponsored enterprises.....	955	-----	-----	-----	-----	-----
Total, loan account.....	40,143	106,559	29,359	118,413	30,266	138,092
Grand total.....	57,195	108,071	47,779	120,774	49,231	141,344

SPECIAL ANALYSIS G

UNOBLIGATED BALANCES OF BUDGET AUTHORITY AVAILABLE IN 1970

This analysis presents the results of a study of unobligated balances expected to be available for obligation or commitment after June 30, 1969. The study was made in response to the provisions of section 204 of the Revenue and Expenditure Control Act of 1968 (Public Law 90-364), which requires that:

- A special study and analysis be made of 1969 unobligated balances that are expected to remain available in 1970;
- A report on this study and analysis be made to the Congress when the 1970 budget is transmitted; and
- The report include specific recommendations for rescission of not less than \$8 billion of such balances.

This analysis constitutes the report called for in Public Law 90-364. Possible rescissions in the required amount are specified at the conclusion of the report; however, they are not reflected in the 1970 budget schedules because the President does not favor such rescissions.

Table G-1 summarizes the data considered in this study. Two major features should be noted:

First, only unobligated balances of Federal funds were considered. Similar balances in trust funds were excluded, since they represent mainly receipts which are firmly committed for a specified use in the future.

Second, small balances, defined as under \$20 million in any account, were excluded. Of the 1,063 presentations of Federal fund appropriations and other accounts in the 1970 Budget Appendix, there are 96 that show unobligated balances of \$20 million or more at the end of 1969, amounting in total to \$48,674 million. The remaining 967 schedules include those with unobligated balances under \$20 million, which amount to a total of \$416 million.

Table G-1. SUMMARY OF UNOBLIGATED BALANCES ESTIMATED
TO BE AVAILABLE IN 1970 (in millions of dollars)

	End of 1969 estimate	
Total unobligated balances shown in 1970 budget schedules		139,238
Deduct trust fund balances		90,148
Total Federal fund balances		49,090
Deduct Federal fund balances of less than \$20 million		416
Total Federal fund unobligated balances considered in study (accounts of \$20 million or more)		48,674
Department of Defense—Military	11,481	
Civilian agencies	37,193	

Federal fund balances could be rescinded without requiring changes in basic statutes or current administrative practices, if the Congress wishes to take such action. Table G-9 summarizes these data.

Table G-9. UNOBLIGATED FEDERAL FUND BALANCES AVAILABLE FOR RESCISSION¹ (in millions of dollars)

Agency and account	End of 1969 estimate
Department of Housing and Urban Development (after allowing for needed obligations or reservations in 1970)	3,936
College housing loans.....	2,349
Government National Mortgage Association: Special assistance functions.....	1,353
Public facility loans.....	234
Department of Agriculture	1,249
Farmers Home Administration (after providing for adequate funding for 1970).....	639
Section 32 balances.....	300
Forest roads and trails.....	310
Export-Import Bank (after allowing for needed obligations in 1970)	1,026
Veterans Administration (after allowing for needed obligations in 1970)	574
Direct loan revolving fund.....	553
Hospital construction.....	21
Department of Transportation	237
Highway safety.....	150
Forest and public lands highways.....	32
Urban mass transportation.....	55
Department of Health, Education, and Welfare (Higher education facility loans)	153
Farm Credit Administration (after estimating needs for standby authority for emergency investment in banks for cooperatives and Federal intermediate credit banks once Federal capital is retired)	147
Banks for cooperatives.....	98
Federal intermediate credit banks.....	49
Department of the Interior (National Park and Indians parkways and roads)	94
Department of Commerce (Economic Development Administration revolving fund)	58
Total	7,474

¹ Covers accounts with balances of \$20 million or more.

In the Department of Housing and Urban Development this analysis indicates that \$3,936 million is available for rescission under present statutes and administrative practices. For example, the college housing program has available balances of \$2,618 million; after deducting \$167 million to be obligated in 1970, and \$102 million being used for administrative reservations which will mature into obligations after 1970, the balance (\$2,349 million) could be considered for rescission. A similar analysis of the Government National Mortgage Association balances yields, as a potential candidate for rescission, an amount of \$1,353 million in the special assistance program; and the \$234 million in the public facility loan program is another possibility.

This analysis also indicates that \$1,249 million is available for rescission in the Department of Agriculture without changing existing statutes or practices. This includes \$300 million for the removal of surplus agricultural commodities (section 32) which probably should not be considered for rescission in order to continue the policy of providing reserve funds to meet contingencies. There is also an unobligated balance of \$310 million for forest roads and trails. Rescission in this case, however, would have the effect of removing some administrative flexibility that is helpful in dealing with changes in economic conditions. Balances of \$639 million in the direct loan and the rural housing loan accounts of the Farmers Home Administration are potential candidates for rescission. However, a balance of \$121 million should be retained for the rural housing loan account to leave a small margin to provide for needs in subsequent years. Rescission of the remaining \$518 million, however, may require additional budget authority to continue these programs in future years.

Of the \$2,387 million of unobligated balances in the Export-Import Bank, \$1,361 million is needed to cover the gap between receipts and obligations estimated for 1970. The residual balance of \$1,026 million is not planned for use in 1970 and thus could be considered for rescission. However, this would reduce operational flexibility and will require new budget authority in subsequent years.

In the Veterans Administration, \$574 million of unobligated balances could be rescinded without changing existing statutes or practices. Of that total, \$553 million in the direct housing loan program is not required to support the program level reflected in the 1970 budget, and if considered for rescission, probably would not require equivalent funding before 1971. On the other hand, the remaining \$21 million for hospital construction might best be held to provide flexibility in coping with changes in local project requirements.

Another potential candidate is the \$153 million of the balances held in the higher education facility loan account of the Department of Health, Education, and Welfare. These are unused due to a change in financing for this program; instead of direct loans, new interest subsidy grants will permit use of private financing. Thus, these balances could be rescinded without altering the 1970 program level and, under the budget proposals, would not require equivalent future financing.

This analysis identifies other possibilities with respect to the remaining balances. In the Department of Transportation, for example, rescission of the \$237 million balances would have no 1970 program impact; the slower-than-anticipated pace of the new highway safety program accounts for the largest part of those balances. Similarly, rescission of the \$147 million balances in the Farm Credit Administration also would not affect the 1970 program, but is held primarily to meet emergency requirements. While the parkways and roads item in the Department of the Interior reflects balances that could be rescinded, those balances provide leeway in dealing with changing economic conditions related to construction work. Rescission action on the balance in the Economic Development Administration revolving fund would have no program impact; however, this fund is used to pay interest costs to Treasury.

increase in the number of tax returns and a 9.4% increase in the number of tax returns audited.

(8) The Veterans Administration, up 4,700, to handle a 15% increase in outpatients, provide new medical services, increase the number of health personnel trained in Veterans Administration facilities, and activate new hospitals.

Table I-1. SUMMARY OF FULL-TIME PERMANENT EMPLOYMENT IN THE EXECUTIVE BRANCH

Agency	As of June			Change, 1969-70
	1968 actual	1969 estimate	1970 estimate	
Department of Defense, Military and military assistance ¹	1,256,068	1,235,648	1,235,000	-648
Post Office Department.....	549,623	564,501	575,700	11,199
Subtotal ¹	1,805,691	1,800,149	1,810,700	10,551
Department of Agriculture.....	85,397	83,000	86,400	3,400
Department of Commerce.....	26,197	25,350	26,000	650
Department of Defense, Civil.....	32,062	31,310	31,364	54
Department of Health, Education, and Welfare.....	106,834	102,581	106,700	4,119
Department of Housing and Urban Development.....	14,983	14,772	16,800	2,028
Department of the Interior.....	61,186	59,580	60,900	1,320
Department of Justice.....	34,424	35,600	36,600	1,000
Department of Labor.....	9,786	9,564	9,700	136
Department of State.....	25,785	25,068	24,600	-468
Department of Transportation.....	58,027	60,405	65,400	4,995
Treasury Department.....	82,132	80,200	85,100	4,900
Atomic Energy Commission.....	7,169	7,037	7,300	263
General Services Administration.....	37,454	36,850	38,100	1,250
National Aeronautics and Space Administration.....	32,471	31,745	31,500	-245
Veterans Administration.....	151,023	147,634	152,300	4,666
Other agencies:				
Agency for International Development.....	17,569	16,600	15,900	-700
Office of Economic Opportunity.....	3,106	2,891	2,900	9
Selective Service System.....	7,000	6,700	6,950	250
Small Business Administration.....	4,377	4,250	4,200	-50
Tennessee Valley Authority.....	12,009	12,436	12,600	164
The Panama Canal.....	14,940	14,782	15,200	418
United States Information Agency.....	11,283	10,983	11,000	17
Miscellaneous Agencies ²	32,166	31,224	32,794	1,570
Subtotal.....	867,380	850,562	880,308	29,746
Allowance for contingencies.....			2,500	2,500
Total ¹	2,673,071	2,650,711	2,693,508	42,797

¹ Each year includes 42,000 Army and Air Force National Guard civilian technicians who were converted by law to Federal employment status as of Jan. 1, 1969.

² Excludes member-employees of the Soldiers' Home.

TOTAL FEDERAL PERSONNEL

Employees in permanent full-time positions account for over 85% of total civilian employment in the executive branch. The remainder consists of temporary, part-time, and intermittent workers, employed largely in projects of a special, temporary, or seasonal nature.

SPECIAL ANALYSIS R

SELECTED AGENCY BUDGETS BY PROGRAM CATEGORIES

The tabulations shown in this analysis reflect for 3 years—1968, 1969, and 1970—the programs of selected agencies as classified in the categories and subcategories used in the agency Planning-Programing-Budgeting (PPB) systems.

While program structures have hitherto been published for most of the major agencies, this is the first time that data on budget authority have been presented in these terms. Since all agencies have not reached an equal stage of PPB development, some executive agencies in the Federal Government are not covered in this analysis.

THE PPB SYSTEM IN THE FEDERAL GOVERNMENT

Installation of the Planning-Programing-Budgeting system on a Government-wide basis was initiated by the President in August 1965. PPB is an effort to promote more systematic use of modern management tools that have been demonstrated to be of value in Government. The PPB approach was employed to enable the Government agencies and the President to:

- Identify national goals with greater precision and determine which goals are the most urgent;
- Develop and analyze alternative means of reaching goals most efficiently;
- Provide information on the total long term systems cost of programs on a basis that can be related to the benefits derived from each program;
- Set out specific proposed plans for several years ahead to achieve stated objectives; and
- Permit better control over programs and budgets by strengthening measurement and analysis of program performance in relation to costs.

PROGRESS UNDER THE PLANNING-PROGRAMING-BUDGETING SYSTEM

While the impact of PPB is still of modest proportions in the civilian agencies, its effects are becoming evident.

- Most major agencies have created a PPB System to carry out the President's directive. Many of these agencies have dedicated staff resources specifically to the PPB process.
- These agencies, with only a few exceptions, have established end purpose-oriented PPB program structures, as illustrated in the tables, enabling them to classify their funds by major program categories and subcategories. These program structures were used, in varying degrees, in the decisionmaking process leading to the budgets for 1968, 1969, and 1970.
- Major program issues are being identified in advance of the time when budget decisions have to be made and subjected to systematic analysis.
- The introduction of PPB has provided an impetus toward increased use of formal analysis in the decisionmaking process. The development and consideration of alternatives has been

stepped up, both in the programing stage and at the budget decision stage. The emphasis on cost effectiveness analysis as part of the analytical effort has drawn attention to ways of achieving given objectives at least cost, or attaining maximum results from given outlays. Benefit/cost analysis, which had been previously practiced chiefly in the military agencies and the water resources field, is now underway on various programs in most major agencies of Government.

- As experience has been gained, the various elements of the PPB approach and the annual budget process gradually are being more effectively interrelated, so that the analytical results of PPB are playing a greater role in decisionmaking for the annual budget.

PROGRAM DISTRIBUTION OF BUDGET AUTHORITY

The following tables for each agency distribute budget authority by PPB program category and, in many cases, by subcategory. In preparing the 1970 budget, a substantial portion of the budget review process was carried out in these program structure terms. However, the budget is presented to and acted upon by Congress in terms of the appropriation structure as presented in the Budget Appendix. The amounts shown by program category and subcategory in this analysis are derived by distribution of the appropriation totals. This distribution is only as precise as the underlying agency accounting system permits. Statistical allocations have been used where necessary to distribute the appropriation amounts to the program structure.

Not all budgetary items are covered by the program structure. For example, adjustments to agency budget authority totals for proprietary receipts from the public are usually not related to the program structure. Each table, however, reconciles the total amounts shown in program structure terms to total budget authority for the agency—identifying items excluded from the program structure and any necessary adjustments.

Seventeen agencies are covered by this special analysis; they account for \$200.2 billion, or 95 percent of the total proposed budget authority of \$210.1 billion for 1970 for the entire Federal Government. The budget authority not covered in this analysis is largely accounted for by numerous smaller agencies, most of which have not been required to install a PPB system. Many of the agencies not included, however, are employing PPB techniques in varying degrees.

DEPARTMENT OF AGRICULTURE

The programs of the Department of Agriculture seek to provide an adequate supply of food, fiber, and timber; maintain farm income; improve the nutritional level and protect the health of the entire population; and promote the continuing development of rural areas. To achieve these goals the Department performs research, education, conservation, marketing, regulatory, domestic and foreign food aid, agricultural adjustment, credit, insurance, national forest management and rural development activities.

The program structure shown below consists of a set of subcategories representing the major missions of the Department. The subcategories are grouped under four major categories representing the broad unifying goals that provide a focus for the Department's program planning efforts, and one general support category.

Table R-1. **PROGRAM DISTRIBUTION OF BUDGET AUTHORITY**
(in millions of dollars)

Program category and subcategory	1968 actual	1969 estimate	1970 estimate
Income and abundance:			
Farm income.....	3,359.1	5,358.5	4,023.2
Agricultural production capacity.....	606.1	586.6	496.4
Agricultural marketing and distribution system.....	108.4	114.6	113.4
Category total.....	4,073.7	6,059.7	4,632.9
Growing nations—new markets:			
Food for Freedom.....	1,606.6	301.1	1,017.7
Export market development.....	79.9	88.8	28.1
Agricultural development.....	6.2	3.5	11.5
International agricultural services.....	7.2	7.4	7.5
Category total.....	1,699.9	400.9	1,064.8
Dimensions for living:			
Diets and nutrition.....	912.0	1,041.8	1,102.7
Health and safety.....	84.4	110.8	134.1
Education and training.....	21.7	22.5	23.5
Services for living.....	44.5	44.9	45.7
Category total.....	1,062.6	1,220.0	1,305.9
Communities of tomorrow:			
Community development services.....	29.1	31.0	40.0
Housing.....	253.0	29.7	62.6
Public facility and business expansion.....	430.2	354.6	371.6
Resource protection and environmental improvement.....	245.7	215.6	204.3
Recreation, wildlife, and natural beauty.....	60.7	63.6	67.9
Timber.....	326.6	333.4	337.3
Category total.....	1,345.3	1,027.8	1,083.8
General support:			
General administration.....	4.6	4.8	5.1
Program support.....	38.8	39.9	45.4
Category total.....	43.4	44.7	50.4
Total distributed to programs above.....	8,224.8	8,753.2	8,137.8
Deductions for offsetting receipts.....	-395.4	-415.1	-435.0
Total budget authority, Department of Agriculture.....	7,829.4	8,338.1	7,702.8

DEPARTMENT OF COMMERCE

The statutory functions of the Department of Commerce are to foster, promote, and develop the foreign and domestic commerce and the manufacturing and shipping industries of the United States. Related functions include the promotion of area and regional economic development and performance of Government scientific and technical activities. These programs are conducted in appropriate relation to the overall requirements of business and industry as well as to the broad social and economic objectives of the Nation.

The Department's functions are grouped into eight program categories as shown in the following table:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, marketing, nutrition and consumer use, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed [three] two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. [2225] 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$25,000, except for six buildings to be constructed or improved at a cost not to exceed \$55,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: *Provided further*, That the limitations on construction contained in this Act shall not apply to a total of \$350,000 for construction of a new animal disease and parasite research facility at Beltsville, Maryland:

Research: For research and demonstrations on the production and utilization of agricultural products; agricultural marketing and distribution, not otherwise provided for; home economics or nutrition and consumer use of agricultural and associated products; and related research and services; and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100; [\$129,118,300] \$135,955,300, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation, of which \$1,685,000 shall remain available until expended for plans, construction, and improvement of facilities without regard to limitations contained herein: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That none of the funds appropriated in this Act shall be used to formulate a budget estimate for fiscal 1970 of more than \$15,000,000 for research to be financed by transfer from funds available under section 32 of the Act of August 24, 1935, and pursuant to Public Law 88-250;

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-e), [\$86,639,500] \$89,676,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That [the Secretary is authorized to acquire land for plant quarantine control activities presently located at Presidio, Texas] not to exceed \$2,000,000 shall remain available until expended for construction of facilities without regard to limitations contained herein: *Provided further*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other conta-

gious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research". (5 U.S.C. 5901; 7 U.S.C. 135-135k, 145, 147a-148a, 148c-150jj, 151-164a, 165a-167, 281-283, 391, 394a-396, 401-404, 421-422a, 424-425, 427, 427i, 428a, 429-430, 433-434, 436-437, 450-450b, 450i, 612c, 1292, 1441 note, 1621-1628, 1651-1656, 1884, 1901, 1904-1905, 2131-2154, 2201-2202, 2208, 2220, 2225, 2228-2229, 2232-2233, 2239, 2250-2250a, 2258-2260, 2262-2263; 10 U.S.C. 2306; 15 U.S.C. 69c; 16 U.S.C. 581-581a, 581f, 590a-590b, 590f, 590k; 18 U.S.C. 1114; 19 U.S.C. 1306a, 1306c; 20 U.S.C. 191-194; 21 U.S.C. 94-94a, 101-105, 111-114c, 114e-131, 134-134h, 151-158, 342(a), 348-348a, 611-614, 618, 621, 622, 676; 42 U.S.C. 1476(b)-1476(e), 1483, 1891-1893; 45 U.S.C. 71-74; 46 U.S.C. 466a-466b; 49 U.S.C. 1474(a), 1509(d); 46 Stat. 67; 78 Stat. 939-940; 82 Stat. 294; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Note.—Excludes \$58 thousand for activities transferred in the estimates to "Salaries and expenses," Office of Information.

Program and Financing (in thousands of dollars)

Identification code 05-04-1400-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Research:			
(a) Farm research.....	101,308	98,660	100,786
(b) Utilization research and development.....	33,155	33,264	33,443
(c) Nutrition and consumer use research.....	4,184	4,278	5,453
(d) Marketing research.....	9,384	8,558	8,488
(e) Coordination of departmental and interdepartmental activities related to pests and their control.....	63	225	100
(f) Construction of facilities.....	9,226	19,007	10,294
(g) Contingencies.....	-----	1,000	1,000
Total, research.....	157,321	164,992	159,564
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	32,968	35,671	35,890
(b) Animal disease and pest control.....	46,036	47,017	47,631
(c) Pesticides regulation.....	3,956	3,806	4,156
(d) Construction of facilities.....	-----	-----	200
Total, plant and animal disease and pest control.....	82,960	86,494	87,877
Total, program costs funded ¹	240,281	251,486	247,441
Change in selected resources ²	-1,731	-4,483	-3,451
10 Total obligations.....	238,551	247,003	243,990

¹ Includes capital outlay as follows: 1968, \$26,991 thousand; 1969, \$19,859 thousand; 1970, \$30,392 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968 adjust-ments	1968	1969	1970
Stores.....	657	---	640	640	640
Unpaid undelivered orders.....	50,561	495	48,989	44,505	41,054
Advances.....	2,022	---	2,376	2,376	2,376
Total selected resources	53,240	495	52,004	47,521	44,070

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-04-1400-0-1-355	1968 actual	1969 est.	1970 est.
Financing:			
16 Comparative transfers from other accounts	-2,089	-131	-----
21 Unobligated balance available, start of year	-25,631	-17,752	-3,358
24 Unobligated balance available, end of year	17,752	3,358	-----
25 Unobligated balance lapsing	5,367	13	-----
Budget authority	233,951	232,491	240,632
Budget authority:			
Current:			
40 Appropriation	222,578	215,758	225,632
41 Transferred to other accounts	-5,902	-267	-----
42 Transferred from other accounts	275	-----	-----
43 Appropriation (adjusted)	216,951	215,491	225,632
50 Reappropriation	2,000	2,000	-----
Permanent authorization:			
60 Appropriation	-----	-----	-----
62 Transferred from other accounts	15,000	15,000	15,000
63 Appropriation (adjusted)	15,000	15,000	15,000
Relation of obligations to outlays:			
71 Obligations incurred, net	236,462	246,872	243,990
72 Obligated balance, start of year	54,808	60,457	69,106
74 Obligated balance, end of year	-60,457	-69,106	-73,979
77 Adjustments in expired accounts	-376	-----	-----
90 Outlays	230,437	238,223	239,117

The service conducts basic and applied research relating to the production, utilization, and marketing of agricultural products, research on nutrition and consumer use, and carries out those control and regulatory programs of the Department which involve enforcement of plant and animal quarantine, the control of diseases and pests of animals and plants, and related work.

1. *Research.*—(a) *Farm research.*—Improved breeding, feeding, and management practices, including management of animal wastes, are developed for farm livestock, poultry, and domestic fur animals. Practical methods are sought for control of diseases, parasites, and insect pests affecting them and to protect them from toxic chemical poisons and other hazards.

Investigations are conducted to improve varieties of food, feed, fiber, and other plants, and to develop new crops; to improve crop-production practices, including methods to control plant diseases and nematodes, and reduce cost of production; and to develop safe chemical, biological, and other methods for control of harmful pests affecting farm production.

Investigations are conducted to improve the management of natural resources, including investigations to improve soil and water management (including salinity and saline soils), irrigation, and conservation practices; to study hydrologic problems of agricultural watersheds; to determine the relation of soil types and water to plant, animal, and human nutrition; and to apply engineering principles to improve efficiency and reduce costs of agricultural production.

The research is aimed at the profitable production of an adequate supply of food, feed, fiber, and other agricultural products of desired quality at minimum costs.

Attention continues to be given to the production of agricultural products having industrial uses. Increased attention has been given to studies on protection of plants, animals, and natural resources from harmful effects of polluted soil, water, and air. Research also concerns the application of remote sensing techniques in meeting agricultural problems. The proportion of farm research funds going into basic research is currently estimated at 45% of the total funds for this research. The basic research is fundamental to and strengthens the other research efforts.

The increase requested for 1970 would provide for research in the following areas: improve methods to control avian leukosis in poultry; study of resistant micro-organisms resulting from the use of antibiotics in livestock and poultry production; studies on low-income rural housing; pollution research concerned with animal waste management; and expand remote sensing research, including the acquisition of an aircraft.

(b) *Utilization research and development.*—Chemical, physical, and biological research is conducted to develop increased industrial uses of farm products, and new and improved foods, feeds, and fabrics; and to develop improved methods for processing agricultural commodities.

The research aim is to expand the demand for farm products by developing new and improved products and economical processes tailored to the requirements of the domestic and foreign markets. The research conducted includes studies to protect food and feed products from harmful micro-organisms and naturally occurring toxins and studies of health-related problems of tobacco. Increased effort is being given to the processing of agricultural commodities to minimize waste formation and to utilize waste products to avoid pollution.

The increase requested for 1970 would be used for research on processing characteristics of new varieties and upgrading the quality of peach products.

(c) *Nutrition and consumer use research.*—Studies are made of human nutritional requirements, composition and nutritive value of foods, and consumer and food economics. The research aim is to determine nutrient requirements and how foods can supply these to best assure nutritional well-being of people throughout their lifespan, to provide up-to-date information about food consumption and nutrition of the population, and to develop improved procedures for household preparation, care and preservation of foods which will preserve their nutritional, sanitary, and wholesome quality. The increase requested for 1970 would be used to expand information on the nutrient value of foods, to identify factors contributing to poor nutrition, and to provide guidelines for improvement of programs to better the nutritional well-being of people.

(d) *Marketing research.*—Practical answers to reduce costs and maintain product quality in moving products from farm to consumer are sought through research. For farm products as they pass through marketing channels, efforts are made to develop safe methods to protect against insect attack, find objective methods to determine quality, reduce losses from waste and spoilage, and improve efficiency in physical handling. The work includes research at each stage of marketing, such as assembly points and storage facilities, and of transportation at terminal or central markets. Research is also concerned with mycotoxins in agricultural products in relation to off-farm handling, conditioning, and storage.

(e) *Coordination of departmental and interdepartmental activities related to pests and their control.*—The 1970 esti-

mates propose that \$100 thousand of the \$225 thousand provided for this activity in the 1969 Appropriation Act be continued available for use by the Secretary of Agriculture to meet emergency situations relating to the safe use of pesticides. The project provides for coordination with the Department of Health, Education, and Welfare, Department of the Interior, and other agencies of the Federal Government in development of measures to protect the public health, producers, and resources. Of the total reduction of \$125 thousand, the 1970 estimates reflect proposed transfers of (1) \$58 thousand to the Office of Information for the Department's coordinated pest control information programs, and (2) \$50 thousand to the activity pesticides regulation for control and regulatory work related to the registered uses of pesticides, including fungicides and nematocides. The remaining \$17 thousand is proposed as a program decrease in 1970.

(f) *Construction of facilities.*—An increase of \$1,685 thousand is requested in 1970 for planning, construction, and improvement of research facilities. Funds totaling \$710 thousand are for planning (1) a facility for bluetongue research in one of the Western States, (2) a fruitfly laboratory in the Hawaiian Islands, and (3) additional facilities at the Plum Island Animal Disease Laboratory. Funds totaling \$975 thousand are included for construction and capital improvements at the Agricultural Research Center, Beltsville, Md.

(g) *Contingencies.*—Beginning in 1962, \$1 million is available to meet urgent research needs that develop unexpectedly during the year, when such needs cannot be met by redirection of resources from other projects.

2. *Plant and animal disease and pest control.*—(a) *Plant disease and pest control.*—Programs are designed to keep out of this country by inspection at ports of entry those harmful insects, plant diseases, nematodes, and other pests that cause great damage to agriculture in other countries. Working with the States, programs are conducted to eradicate or prevent spread of crop pests that become established in this country. Assistance is given to the States to suppress incipient and emergency outbreaks of crop pests when and where they occur. The increase requested for 1970 would be used to increase plant quarantine inspection at ports of entry because of increased travel and shipping and to employ inspectors for the three new satellite terminals at the J. F. Kennedy International Airport in New York.

The level of activities for plant pest control is shown by the selected examples that follow (in thousands):

	1967 actual	1968 actual	1969 estimate	1970 target
Acres treated:				
Japanese beetle.....	28	13	50	20
Grasshopper.....	1,133	793	1,250	1,250
Cereal leaf beetle.....	196	506	250	500
Boll weevil.....	1,110	563	1,000	500
Gypsy moth.....	176	127	170	150
Pink bollworm.....	3,541	3,442	4,000	5,000
Imported fire ant.....	10,114	14,740	20,000	15,000
Sterile flies released: Mexican fruitfly.....	22,000	20,000	20,000	20,000

The level of activities for plant quarantine inspection at ports of entry is given below (in thousands):

	1967 actual	1968 actual	1969 estimate	1970 target
Plant import inspection:				
Airplanes.....	233	258	265	315
Vessels.....	65	65	68	66
Vehicles from Mexico.....	34,000	36,000	36,000	41,000
Baggage, pieces.....	48,000	56,000	60,000	70,000
Mail, packages.....	57,000	68,000	60,000	80,000
Interceptions:				
Unauthorized plant materials.....	588	598	-----	-----
Plant pests.....	41	45	-----	-----

(b) *Animal disease and pest control.*—Programs are conducted to keep communicable diseases of foreign origin from entering this country and to prevent the spread of disease through interstate shipments of livestock or distribution of impure or impotent veterinary biologics. Other programs are directed at the control and eradication of livestock diseases. The animal welfare program is concerned with the humane care and handling of certain laboratory animals. The increase requested for 1970 would be used to cooperate with Central America and Panama on foot-and-mouth disease and rinderpest, for new testing material to assure the safety and potency of veterinary biologics, and to increase animal inspection and quarantine at ports of entry to reduce the hazard of introduction of foreign diseases.

The level of activities for the major control programs on animal diseases and pests is shown in the table that follows:

	1967 actual	1968 actual	1969 estimate	1970 target
Brucellosis:				
Certified free States, plus Virgin Islands.....	11	14	24	25
Modified certified States, plus Puerto Rico.....	30	28	25	25
Herds tested:				
Blood tests.....	426,000	398,000	378,000	475,000
Milk ring tests.....	1,630,000	1,581,000	1,550,000	1,525,000
Reactors found.....	147,000	149,000	-----	-----
Hog cholera:				
Hog cholera free States.....	7	8	15	23
Suspicious outbreaks reported.....	2,230	4,034	-----	-----
Outbreaks confirmed.....	689	849	-----	-----
Tuberculosis:				
Modified accredited States, plus Puerto Rico and Virgin Islands.....	9	23	42	50
Cattle tested.....	6,012,000	4,596,000	4,590,000	4,590,000
Reactors found.....	3,500	3,500	-----	-----
Scabies:				
Sheep inspected (millions).....	14	11	11	8
Infected sheep.....	481	336	-----	-----
Cattle inspected (millions).....	24	25	24	26
Infected cattle.....	-----	11,000	-----	-----
Screwworm:				
Sterile flies released (millions).....	6,521	6,397	5,500	6,000
Cases in United States outside of barrier.....	331	676	-----	-----
Cases in United States part of barrier.....	1,668	1,621	-----	-----
Cases in Mexico part of barrier.....	8,434	9,243	-----	-----
Salmonella: States with cooperative rendering plant programs.....	21	27	45	50
Ticks:				
Cattle inspected (millions).....	1.7	1.3	1.6	1.6
Outbreaks.....	61	15	-----	-----
Veterinary biologics:				
Serials produced.....	13,205	10,798	14,822	11,600
Serials potency tested.....	2,848	3,610	4,278	3,620
Unsatisfactory for potency.....	122	124	-----	-----
Serials sterility tested.....	5,741	6,561	8,247	5,780
Unsatisfactory for sterility.....	133	67	-----	-----
Public stockyards inspection:				
Animals inspected (millions).....	45.8	43.6	41.0	39.0
Diseased animals found.....	403,000	409,000	-----	-----

The level of activities for animal inspections and quarantine is given below:

	1967 actual	1968 actual	1969 estimate	1970 target
Animal import inspection:				
All animals.....	938,000	936,000	1,000,000	1,005,000
Import animal byproducts, pounds (millions).....	1,122	907	1,003	1,011
Vessels inspected—sea stores and garbage.....	40,000	42,000	42,000	50,000
Edible meat inspected, pounds (millions).....	-----	1,510	1,600	1,650

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(c) *Pesticides regulation.*—This activity is concerned with administration of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and related provisions of the Federal Food, Drug, and Cosmetic Act. The increase requested for 1970 would be used to expand enforcement activities under the act.

The level of activities for pesticides regulation is given in the table that follows:

	1967 actual	1968 actual	1969 estimate	1970 target
Enforcement:				
Samples collected.....	5,154	8,172	8,000	7,000
Violations of the act.....	1,147	1,716	-----	-----
Shipments seized.....	189	363	-----	-----
Product registration:				
New.....	4,754	4,666	5,000	5,000
Amended.....	15,664	10,961	12,500	15,000
Canceled.....	10,691	16,376	2,000	2,000
Total end of period.....	56,831	45,121	48,000	53,000
Label reviews.....	47,318	37,420	55,000	42,500

(d) *Construction of facilities.*—The 1970 estimates include \$2,000 thousand for construction of animal quarantine facilities at a site to be selected in the New York-New Jersey port and airport area.

Object Classification (in thousands of dollars)

Identification code 05-04-1400-0-1-355	1968 actual	1969 est.	1970 est.
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	128,046	134,386	138,272
11.3 Positions other than permanent.....	7,247	7,435	7,533
11.5 Other personnel compensation.....	1,733	1,853	1,858
Total personnel compensation.....	137,026	143,674	147,663
12.1 Personnel benefits: Civilian employees.....	11,042	11,604	11,908
13.0 Benefits for former personnel.....	33	-----	-----
21.0 Travel and transportation of persons.....	4,999	5,100	5,162
22.0 Transportation of things.....	1,121	1,093	1,127
23.0 Rent, communications, and utilities.....	5,233	5,213	5,273
24.0 Printing and reproduction.....	1,222	1,338	1,342
25.0 Other services.....	29,497	32,228	30,033
26.0 Supplies and materials.....	17,442	18,019	18,381
31.0 Equipment.....	9,779	8,917	12,024
32.0 Lands and structures.....	2,680	2,682	1,644
41.0 Grants, subsidies, and contributions:			
Grants for research.....	1,491	1,490	1,053
Payment to Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease.....	34	38	38
42.0 Insurance claims and indemnities.....	6	-----	-----
Indemnities:			
Tuberculosis.....	134	120	120
Brucellosis.....	1,366	1,300	1,300
Scrapie of sheep.....	48	36	36
Hog cholera.....	978	1,025	1,025
Claims—Federal Tort Claims Act.....	24	-----	-----
Subtotal.....	224,155	233,877	238,129
95.0 Quarters and subsistence charges.....	—98	—97	—97
Total obligations, Agricultural Research Service.....	224,057	233,780	238,032
ALLOTMENT AND ALLOCATION ACCOUNTS			
11.1 Personnel compensation: Permanent positions.....	20	21	-----
12.1 Personnel benefits: Civilian employees.....	2	1	-----
21.0 Travel and transportation of persons.....	9	51	-----
24.0 Printing and reproduction.....	48	102	50

25.0 Other services.....	903	1,353	894
26.0 Supplies and materials.....	2	2	-----
32.0 Lands and structures.....	13,510	11,693	5,014
Total obligations, allotment and allocation accounts.....	14,494	13,223	5,958
99.0 Total obligations.....	238,551	247,003	243,990

Total obligations are distributed as follows:

Agricultural Research Service.....	224,057	233,780	238,032
National Agricultural Library.....	-----	3	-----
Office of Information.....	58	76	-----
Office of the Secretary.....	-----	96	100
General Services Administration.....	14,436	13,048	5,858

Personnel Summary

AGRICULTURAL RESEARCH SERVICE

Total number of permanent positions.....	14,740	14,159	14,810
Full-time equivalent of other positions.....	1,493	1,485	1,502
Average number of all employees.....	15,788	15,286	15,584
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$9,631	\$10,257	\$10,277
Average salary of ungraded positions.....	\$5,940	\$6,231	\$6,220

ALLOTMENT ACCOUNTS

Total number of permanent positions.....	2	2	-----
Average number of all employees.....	2	2	-----
Average GS grade.....	7.9	8.0	-----
Average GS salary.....	\$8,967	\$9,528	-----

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments, in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(1), (3)), \$8,287,000, to remain available until expended, \$4,500,000; and in addition, the June 30, 1968 unexpended balance of funds appropriated to the President in the Supplemental Appropriation Act, 1959 (Public Law 85-766, approved August 27, 1958) under the heading "Translation of publications and scientific cooperation" shall be merged with this appropriation: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-04-1404-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Market development research (sec. 104(b)(1)).....	1,942	1,600	1,400
2. Agricultural and forestry research (sec. 104(b)(3)).....	4,892	5,000	5,600
3. Translation and dissemination of scientific publications (sec. 104(b)(3)).....	113	128	135
Total program costs, funded ¹	6,947	6,728	7,135
Change in selected resources ²	362	—424	1,747
10 Total obligations.....	7,309	6,304	8,882

Financing:				
21	Unobligated balance available, start of year	—1,021	—2,212	—595
22	Unobligated balance transferred from other accounts		—187	
24	Unobligated balance available, end of year	2,212	595	
40	Budget authority (appropriation)	8,500	4,500	8,287
<hr/>				
Relation of obligations to outlays:				
71	Obligations incurred, net	7,309	6,304	8,882
72	Obligated balance, start of year	19,530	19,859	18,886
73	Obligated balance transferred (net)		209	
74	Obligated balance, end of year	—19,859	—18,886	—19,458
90	Outlays	6,980	7,486	8,310

¹ Includes capital outlay as follows: 1968, \$0; 1969, \$11 thousand; 1970, \$5 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$18,922 thousand; 1968, \$19,284 thousand; 1969, \$18,860 thousand; 1970, \$20,607 thousand.

Foreign currencies, generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, are used by the Department for market development research under subsection 104(b)(1) and for agricultural and forestry research under subsection 104(b)(3) of the act. Work is carried on through agreements, in both basic and applied fields, by research institutions and organizations in foreign countries. In addition to developing scientific information of great importance to American agriculture, the research under this program is making a contribution to the solution of agricultural production and related problems of the countries in which it operates. Accordingly, it represents an important component in achievement of U.S. foreign policy and technical assistance in the food and agricultural area. It serves to preserve and expand existing markets and develop new ones for agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, and fruit and vegetables. It also provides for research supplementary to domestic programs on farm, forest, marketing, utilization, agricultural economics, and human nutrition problems. Specialized projects provide for the translation and dissemination of foreign language scientific publications. The appropriation proposed for 1970 will be used to purchase those currencies determined to be excess to the normal requirements of the United States. Total estimated cost in U.S. dollars (charged to regular appropriations) for program direction and supervision of projects in 1970 is \$464 thousand.

Object Classification (in thousands of dollars)

Identification code 05-04-1404-0-1-355	1968 actual	1969 est.	1970 est.
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions	42	42	39
11.5 Other personnel compensation	6	4	4
Total personnel compensation	48	46	43
12.1 Personnel benefits: Civilian employees	14	14	14
21.0 Travel and transportation of persons	19	23	24
22.0 Transportation of things	12	11	13
23.0 Rent, communications, and utilities	65	67	67
25.0 Other services	186	189	195
26.0 Supplies and materials	3	9	8
31.0 Equipment	6	5	5
41.0 Grants, subsidies, and contributions:			
Grants for research	6,758	5,778	8,363
Total obligations, Agricultural Research Service	7,111	6,142	8,732

ALLOCATION TO NATIONAL SCIENCE FOUNDATION

25.0	Other services (total obligations, National Science Foundation)	198	162	150
99.0	Total obligations	7,309	6,304	8,882

Personnel Summary

Total number of permanent positions	21	18	17
Average number of all employees	19	17	17
Average GS grade	8.5	8.5	8.5
Average GS salary	\$9,631	\$10,257	\$10,277
Average salary of ungraded positions	\$5,940	\$6,231	\$6,220

CONSTRUCTION OF FACILITIES

Program and Financing (in thousands of dollars)

Identification code 05-04-1405-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Construction of facilities (program costs, funded)	42	7	
Change in selected resources ¹	-35	-6	
10 Total obligations (object class 32.0)	7	1	
Financing:			
21 Unobligated balance available, start of year	-28	-1	
24 Unobligated balance available, end of year	1		
25 Unobligated balance lapsing	20		
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	7	1	
72 Obligated balance, start of year	94	7	
74 Obligated balance, end of year	-7		
90 Outlays	94	8	

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$41 thousand; 1968, \$6 thousand; 1969, \$0; 1970, \$0.

Funds were appropriated in 1961 and 1962 for construction of facilities for research at a number of locations. With the completion of the laboratory for research on biological control of insects at Columbia, Mo., in May 1967, all the principal facilities authorized by this appropriation have been provided. Obligations incurred in fiscal year 1968 were for the installation of laboratory equipment at the Soil and Water Research Laboratory at Ithaca, N.Y. The estimated 1969 obligation covers possible change orders on the settlement of claims which should close out this account.

ANIMAL QUARANTINE STATION

Program and Financing (in thousands of dollars)

Identification code 05-04-5222-0-2-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Construction of facilities (program costs, funded)	6	94	100
Change in selected resources ¹			327
10 Total obligations	6	94	427
Financing:			
21 Unobligated balance available, start of year		-94	
24 Unobligated balance available, end of year	94		
60 Budget authority (appropriation) (permanent, indefinite, special fund)	100		427

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$0; 1968, \$0; 1969, \$0; 1970, \$327 thousand.

General and special funds—Continued

ANIMAL QUARANTINE STATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-04-5222-0-2-355	1968 actual	1969 est.	1970 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....	6	94	427
72 Obligated balance, start of year.....	-----	6	-----
74 Obligated balance, end of year.....	-6	-----	-327
90 Outlays.....	-----	100	100

Public Law 88-592, approved September 12, 1964, authorized the sale of the Animal Quarantine Station, at Clifton, N.J., to the city of Clifton, and application of the proceeds of sale to the planning and construction costs of a new station in the New York-New Jersey port and airport area. An additional \$2 million is being requested in the 1970 budget estimates under the appropriation, Salaries and expenses, for the remainder of the total cost of \$2,527 thousand for the new station.

Object Classification (in thousands of dollars)

Identification code 05-04-5222-0-2-355	1968 actual	1969 est.	1970 est.
AGRICULTURAL RESEARCH SERVICE			
25.0 Other services.....	6	94	100
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
32.0 Lands and structures.....	-----	-----	327
99.0 Total obligations.....	6	94	427

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriation, as follows:
Funds appropriated to the President, "Translation of publications and scientific cooperation."
State, U.S. educational exchange program, "United States dollars advanced from foreign governments."

Intragovernmental funds:

WORKING CAPITAL FUND, AGRICULTURAL RESEARCH CENTER

Program and Financing (in thousands of dollars)

Identification code 05-04-4606-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
Maintenance and operation of central facilities and services:			
Cost of materials sold or applied....	1,371	1,370	1,370
Other expense.....	3,560	3,620	3,575
Total operating costs, funded....	4,931	4,990	4,945
Capital outlay: Purchase of equipment..	65	55	55
Total program costs, funded.....	4,996	5,045	5,000
Change in selected resources ¹	-8	-----	-----
10 Total obligations.....	4,987	5,045	5,000
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Sale of goods and services.....	-4,970	-5,027	-4,982
Other revenue.....	-18	-18	-18
Change in unfilled customers orders..	148	-----	-----

14 Non-Federal sources: Proceeds from sale of equipment.....	-3	-----	-----
21 Unobligated balance available, start of year.....	-726	-582	-582
24 Unobligated balance available, end of year.....	582	582	582

Budget authority.....

Relation of obligations to outlays:

71 Obligations incurred, net.....	144	-----	-----
72 Receivables in excess of obligations, start of year.....	-376	-170	-170
74 Receivables in excess of obligations, end of year.....	170	170	170
90 Outlays.....	-62	-----	-----

¹ Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Stores.....	211	229	229	229
Unpaid undelivered orders.....	378	352	352	352
Total.....	589	581	581	581

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300 thousand appropriated in 1951 and donated assets of \$341 thousand as of June 30, 1968. Earnings are retained to furnish adequate working capital.

Object Classification (in thousands of dollars)

Identification code 05-04-4606-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	2,412	2,392	2,351
11.3 Positions other than permanent.....	160	166	166
11.5 Other personnel compensation.....	61	63	63
Total personnel compensation.....	2,633	2,621	2,580
12.1 Personnel benefits: Civilian employees..	204	203	199
22.0 Transportation of things.....	2	2	2
23.0 Rent, communications, and utilities....	599	600	600
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	144	193	193
26.0 Supplies and materials.....	1,313	1,370	1,370
31.0 Equipment.....	90	55	55
42.0 Insurance claims and indemnities.....	1	-----	-----
99.0 Total obligations.....	4,987	5,045	5,000

Personnel Summary

Total number of permanent positions.....	333	318	318
Full-time equivalent of other positions.....	35	35	35
Average number of all employees.....	379	356	347
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$9,631	\$10,257	\$10,277
Average salary of ungraded positions.....	\$5,940	\$6,231	\$6,220

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-04-3914-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Research.....	1,961	2,861	2,643
2. Plant and animal disease and pest control.....	1,610	1,746	1,684
3. Construction of facilities.....	3,912	495	-----
4. Miscellaneous services to other accounts.....	18	29	38
5. Agency for International Development (Funds appropriated to the President).....	2,532	1,841	1,808
Total program costs, funded ¹	10,033	6,972	6,173
Change in selected resources ²	-3,711	-242	-----
10 Total obligations.....	6,322	6,730	6,173

Financing:

Receipts and reimbursements from:

11	Federal funds.....	-4,632	-4,931	-4,366
13	Trust funds.....	-96	-95	-104
14	Non-Federal sources ³	-1,593	-1,704	-1,703

Budget authority.....

Relation of obligations to outlays:

71	Obligations incurred, net.....			
90	Outlays.....			

¹ Includes capital outlay as follows: 1968, \$567 thousand; 1969, \$715 thousand; 1970, \$132 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$4,822 thousand (1968 adjustments, -\$869 thousand); 1968, \$242 thousand; 1969, \$0; 1970, \$0.

³ Reimbursements from non-Federal sources above are from proceeds of sales of charts (7 U.S.C. 1387) and personal property (40 U.S.C. 481(c)); from payments by Federal and non-Federal agencies for overtime work and travel performed in connection with inspection and quarantine services (7 U.S.C. 394a, 396, 2260); from cooperating State, county, municipal and private organizations for soil and water conservation work (16 U.S.C. 590A); and from refunds of terminal leave payments (5 U.S.C. 5551(a), 6306(a)(b)).

Object Classification (in thousands of dollars)

Identification code 05-04-3914-0-4-355	1968 actual	1969 est.	1970 est.
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AGRICULTURAL RESEARCH SERVICE

Personnel compensation:

11.1	Permanent positions.....	2,366	2,351	2,244
11.3	Positions other than permanent.....	85	127	99
11.5	Other personnel compensation.....	1,145	1,193	1,199

Total personnel compensation.....

12.1	Personnel benefits: Civilian employees.....	3,596	3,671	3,542
21.0	Travel and transportation of persons.....	188	202	195
22.0	Transportation of things.....	148	191	157
23.0	Rent, communications, and utilities.....	44	94	58
24.0	Printing and reproduction.....	78	86	81
25.0	Other services.....	10	84	25
26.0	Supplies and materials.....	1,217	1,065	1,093
31.0	Equipment.....	418	604	585
32.0	Lands and structures.....	394	482	439
		6	39	

Subtotal.....

95.0	Quarters and subsistence charges.....	6,099	6,518	6,175
		-4	-2	-2

Total obligations, Agricultural Research Service.....

		6,095	6,516	6,173
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ALLOCATION TO GENERAL SERVICES ADMINISTRATION

21.0	Travel and transportation of persons.....	6	1	
25.0	Other services.....	53	19	
32.0	Lands and structures.....	167	194	

Total obligations, General Services Administration.....

99.0	Total obligations.....	226	214	
		6,322	6,730	6,173

Personnel Summary

Total number of permanent positions.....	216	215	201
Full-time equivalent of other positions.....	18	19	17
Average number of all employees.....	246	229	216
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$9,631	\$10,257	\$10,277
Average salary of ungraded positions.....	\$5,940	\$6,231	\$6,220

Trust Funds

AGRICULTURAL RESEARCH SERVICE

Program and Financing (in thousands of dollars)

Identification code 05-04-9999-0-7-355	1968 actual	1969 est.	1970 est.
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Program by activities:

1. Expenses and refunds, inspection, certification, and quarantine of animal products.....	61	66	61
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2. Expenses, feed, and attendants for animals in quarantine.....	78	90	95
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3. Miscellaneous contributed funds:			
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(a) Program.....	665	817	1,275
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(b) Construction of facilities.....	191		206
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4. Prior year advances returned.....	7	17	
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Total program costs, funded ¹	811	1,181	1,637
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Change in selected resources ²	53	219	-177
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10 Total obligations.....	865	1,400	1,460
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Financing:

21 Unobligated balance available, start of year.....	-282	-314	-307
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24 Unobligated balance available, end of year.....	314	307	59
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60 Budget authority (appropriation).....	897	1,393	1,212
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Budget authority is distributed as follows:

Expenses and refunds, inspection, certification, and quarantine of animal products.....	71	60	60
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Expenses, feed, and attendants for animals in quarantine.....	79	95	95
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Miscellaneous contributed funds.....	747	1,238	1,057
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Relation of obligations to outlays:

71 Obligations incurred, net.....	865	1,400	1,460
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72 Obligated balance, start of year.....	88	132	390
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74 Obligated balance, end of year.....	-132	-390	-320
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90 Outlays.....	821	1,142	1,530
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Outlays are distributed as follows:

Expenses and refunds, inspection, certification, and quarantine of animal products.....	69	66	61
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Expenses, feed, and attendants for animals in quarantine.....	82	91	94
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Miscellaneous contributed funds.....	670	985	1,375
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¹ Includes capital outlay as follows: 1968, \$12 thousand; 1969, \$24 thousand; 1970, \$47 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$14 thousand; 1968, \$67 thousand; 1969, \$286 thousand; 1970, \$109 thousand.

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Expenses and refunds, inspection, certification, and quarantine of animal products* and byproducts not intended for human food, and for other purposes, moving in interstate and foreign commerce primarily to prevent introduction and spread of animal diseases (7 U.S.C. 1622h and n), (21 U.S.C. 111). Fees are paid in advance for services to be rendered.

2. *Expenses, feed, and attendants for animals in quarantine* are paid from fees advanced by importers (21 U.S.C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available

Intragovernmental funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

for work under cooperative agreements on miscellaneous farm, utilization, and marketing research activities, plant and animal quarantine inspection, and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220).

Object Classification (in thousands of dollars)

Identification code 05-04-9999-0-7-355	1968 actual	1969 est.	1970 est.
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	256	240	385
11.3 Positions other than permanent.....	36	34	33
11.5 Other personnel compensation.....	31	21	22
Total personnel compensation.....	323	295	440
12.1 Personnel benefits: Civilian employees.....	27	24	35
21.0 Travel and transportation of persons.....	47	58	49
22.0 Transportation of things.....	1	10	12
23.0 Rent, communications, and utilities.....	14	19	17
24.0 Printing and reproduction.....	2	2	4
25.0 Other services.....	132	182	238
26.0 Supplies and materials.....	290	383	618
31.0 Equipment.....	22	13	47
32.0 Lands and structures.....	1	-----	-----
44.0 Refunds.....	7	17	-----
Subtotal.....	866	1,003	1,460
95.0 Quarters and subsistence.....	-1	-----	-----
Total obligations, Agricultural Research Service.....	865	1,003	1,460
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
32.0 Lands and structures.....	-----	397	-----
99.0 Total obligations.....	865	1,400	1,460

Personnel Summary

Total number of permanent positions.....	40	43	50
Full-time equivalent of other positions.....	7	7	6
Average number of all employees.....	38	39	53
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$9,631	\$10,257	\$10,277
Average salary of ungraded positions.....	\$5,940	\$6,231	\$6,220

COOPERATIVE STATE RESEARCH SERVICE

Federal Funds

General and special funds:

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including [\$52,945,000] \$55,189,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; [\$3,485,000] \$3,785,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7); [\$2,000,000] \$2,150,000 in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i) of which \$1,000,000 shall be for the special cotton research program and \$400,000 for soybean research; [\$310,000] \$2,000,000 for grants for facilities under the Act approved July 22, 1963 (7 U.S.C. 390-390k); \$160,000 for

penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and [\$365,000] \$446,000, for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all, [\$59,105,000] \$63,730,000. (7 U.S.C. 450b, 2201, 2202, 2220, 2250a; 39 U.S.C. 4156; 42 U.S.C. 1891-1893; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-08-1500-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Payments to agricultural experiment stations under the Hatch Act.....	49,630	51,684	53,757
2. Grants for cooperative forestry research.....	3,369	3,485	3,785
3. Contracts and grants for scientific research.....	1,408	1,902	2,070
4. Grants for facilities.....	943	2,114	1,315
5. Penalty mail.....	310	198	160
6. Federal administration.....	1,470	1,686	1,878
Total program costs, funded ¹	57,130	61,069	62,965
Change in selected resources ²	1,756	-2,158	765
10 Total obligations.....	58,886	58,911	63,730
Financing:			
25 Unobligated balance lapsing.....	73	194	-----
Budget authority.....	58,958	59,105	63,730
Budget authority:			
40 Appropriation.....	63,113	59,105	63,730
41 Transferred to other accounts.....	-4,155	-----	-----
43 Appropriation (adjusted).....	58,958	59,105	63,730
Relation of obligations to outlays:			
71 Obligations incurred, net.....	58,885	58,911	63,730
72 Obligated balance, start of year.....	8,384	8,218	5,330
74 Obligated balance, end of year.....	-8,218	-5,330	-6,226
77 Adjustments in expired accounts.....	-81	-----	-----
90 Outlays.....	58,970	61,799	62,834

¹ Includes capital outlay as follows: 1968, \$5 thousand; 1969, \$7 thousand; 1970, \$12 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$6,542 thousand (1968 adjustments, -\$81 thousand); 1968, \$8,217 thousand; 1969, \$6,059 thousand; 1970, \$6,824 thousand.

The Service administers funds for payments and grants to State agricultural experiment stations and other eligible institutions for the support of research in agriculture, the rural home, the rural community and forestry. This administration involves supervision of the funds, and close advisory relations with the State agricultural experiment stations, schools of forestry and other institutions eligible to receive funds. This agency participates in planning and coordination of research programs among the States and between the States and the U.S. Department of Agriculture.

1. *Payments to agricultural experiment stations under the Hatch Act.*—Grants under the Hatch Act are allocated to agricultural experiment stations of the land-grant colleges in the 50 States and Puerto Rico for agricultural research including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural community. In 1970, emphasis will be placed on food and nutrition, community improvement, and pollution research.

2. *Grants for cooperative forestry research.*—These grants are allocated to land-grant colleges or agricultural experiment stations in the 50 States and Puerto Rico and other State-supported colleges and universities offering graduate training in the sciences basic to forestry and having a forestry school. The act requires that the Federal funds paid to each institution be matched by funds from non-Federal sources for forestry research. In 1970, emphasis will be placed on timber production and forest products utilization research.

3. *Contracts and grants for scientific research.*—These funds are for the support of grants on specific research problems at nonprofit institutions of higher education or nonprofit organizations whose primary purpose is the conduct of such research. Funding is on a competitive basis. Every research proposal selected for funding must be evaluated and classified as outstanding and appropriate to the needs of the designated problem area.

4. *Grants for facilities.*—These funds providing additional facilities for research are allocated to State agricultural experiment stations in the 50 States and Puerto Rico. Assistance is available to the States for construction, acquisition, and remodeling of buildings, laboratories, and other capital facilities which are necessary to more effectively conduct research in agriculture and sciences related thereto. The Federal funds are provided on a matching basis.

5. *Penalty mail.*—Funds to cover the cost of penalty mailings for State agricultural experiment station directors are provided under this appropriation.

6. *Federal administration.*—A coordinating and review staff is maintained to examine research projects and assist State institutions and Federal agencies.

The planned distribution of the funds requested for 1970 compared with 1969 is as follows (in thousands of dollars):

Payments to agricultural experiment stations under the Hatch Act:		
	1969	1970
Statutory formula.....	40,958	42,574
Regional research fund.....	10,622	11,183
Total research program.....	51,580	53,757
Set-aside for Federal administration: (3% of increase).....	1,310	1,432
Total, Hatch Act.....	52,890	55,189
Grants for cooperative forestry research.....	3,485	3,785
Contracts and grants for scientific research.....	2,000	2,150
Grants for facilities.....	-----	2,000
Penalty mail.....	160	160
Federal administration (direct appropriation).....	376	446
Unobligated balance lapsing.....	194	-----
Total.....	59,105	63,730

Object Classification (in thousands of dollars)

Identification code 05-08-1500-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	1,143	1,255	1,326
11.3 Positions other than permanent.....	46	10	10
Total personnel compensation.....	1,189	1,265	1,336
12.1 Personnel benefits: Civilian employees.....	88	95	100
21.0 Travel and transportation of persons.....	138	133	146
22.0 Transportation of things.....	2	2	2
23.0 Rent, communications, and utilities.....	330	180	196
24.0 Printing and reproduction.....	27	30	35
25.0 Other services.....	127	124	197
26.0 Supplies and materials.....	7	7	10

31.0 Equipment.....	11	10	16
41.0 Grants, subsidies, and contributions.....	56,965	57,065	61,692
99.0 Total obligations.....	58,885	58,911	63,730

Personnel Summary

Total number of permanent positions.....	101	108	109
Full-time equivalent of other positions.....	5	1	1
Average number of all employees.....	97	94	95
Average GS grade.....	9.6	9.6	10.0
Average GS salary.....	\$12,254	\$12,954	\$13,553

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-08-3975-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Miscellaneous services to other accounts.....	-----	5	5
2. Agency for International Development (Funds appropriated to the President).....	76	187	166
10 Total program costs, funded—obligations.....	76	192	171
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-76	-192	-171
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----

Object Classification (in thousands of dollars)

Personnel compensation:			
11.1 Permanent positions.....	57	138	130
11.5 Other personnel compensation.....	-----	10	17
Total personnel compensation.....	57	148	147
12.1 Personnel benefits: Civilian employees.....	3	11	10
21.0 Travel and transportation of persons.....	7	5	1
22.0 Transportation of things.....	1	18	6
25.0 Other services.....	8	9	7
31.0 Equipment.....	-----	1	-----
99.0 Total obligations.....	76	192	171

Personnel Summary

Total number of permanent positions.....	5	6	6
Average number of all employees.....	3	5	6
Average GS grade.....	9.6	9.6	10.0
Average GS salary.....	\$12,254	\$12,954	\$13,553

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-08-8200-0-7-355	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 24.0).....	1	3	3

Intragovernmental funds—Continued

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-08-8200-0-7-355	1968 actual	1969 est.	1970 est.
Financing:			
21 Unobligated balance available, start of year	-1	-2	-2
24 Unobligated balance available, end of year	2	2	2
60 Budget authority (appropriation)...	3	3	3
Relation of obligations to outlays:			
71 Obligations incurred, net	1	3	3
72 Obligated balance, start of year	1	1	1
74 Obligated balance, end of year	-1	-1	-1
90 Outlays	1	3	3

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (7 U.S.C. 450b, 450h).

EXTENSION SERVICE

Federal Funds

General and special funds:

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), to be distributed under sections 3(b) and 3(c) of the Act, [\$80,082,500; and] \$82,621,000; payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under Section 109 of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), \$350,000; in all, [\$81,532,500] \$84,421,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement and Employees' Compensation costs for extension agents: For cost of employer's share of Federal retirement and for reimbursement for benefits paid from the Employees' Compensation Fund for cooperative extension employees, [\$9,318,500] \$10,000,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, [\$3,299,000] \$3,500,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, and the Act of October 5, 1962 (7 U.S.C. 341-349), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (7 U.S.C. 329), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$2,838,000.

[For an additional amount for "Payments to States and Puerto Rico", for payments for extension work under section 109 of the District of Columbia Public Education Act, as amended by the Act of June 20, 1968 (Public Law 90-354), \$75,000.] (5 U.S.C. 8147; 39 U.S.C. 4156; Department of Agriculture and Related Agencies Appropriation Act, 1969; Supplemental Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-12-0502-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Payments to States and Puerto Rico:			
(a) Payments for cooperative agricultural extension work under Smith-Lever Act	76,271	79,312	81,749

(b) Payments and contracts under the Agricultural Marketing Act	1,566	1,457	1,456
(c) Payments for cooperative extension work under the District of Columbia Public Education Act		72	336
2. Retirement and employees' compensation costs for extension agents	8,932	9,319	10,000
3. Penalty mail	3,299	3,299	3,500
4. Federal Extension Service	3,442	3,692	3,748
Total program costs, funded ¹	93,510	97,151	100,789
Change in selected resources ²	-100	-90	-30
10 Total obligations	93,410	97,061	100,759
Financing:			
25 Unobligated balance lapsing	78	2	
Budget authority	93,488	97,063	100,759
Budget authority:			
40 Appropriation	96,602	97,063	100,759
41 Transferred to other accounts	-3,114		
43 Appropriation (adjusted)	93,488	97,063	100,759
Relation of obligations to outlays:			
71 Obligations incurred, net	93,410	97,061	100,759
72 Obligated balance, start of year	1,421	4,793	4,876
74 Obligated balance, end of year	-4,793	-4,876	-5,060
77 Adjustments in expired accounts	-8		
90 Outlays	90,030	96,978	100,575

¹ Includes capital outlay as follows: 1968, \$11 thousand; 1969, \$14 thousand; 1970, \$14 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Unpaid undelivered orders	408	-8	317	240	223
Advances	53		36	23	10
Total selected resources	461	-8	353	263	233

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture, home economics, and related subjects. This educational work takes research results, technological advancements, and situation and program facts of the Department of Agriculture, the State agricultural colleges and experiment stations, and incorporates them into a national educational program for action. In its educational role, Cooperative Extension Service interprets, disseminates, and encourages practical use of knowledge. It transmits information from researchers to the people.

1. *Payments to States and Puerto Rico.*—Funds appropriated under the Smith-Lever Act for payments to States and Puerto Rico are distributed primarily on the basis of farm and rural population and to a limited degree on the basis of special problems and needs. Funds appropriated under the Agricultural Marketing Act for educational work in marketing are distributed to the States and Puerto Rico on a matching basis under approved projects and on the basis of contracts. Funds are used primarily for the employment of State and county extension workers who work with rural families, marketing concerns, and others by providing advice and assistance in the application of improved methods involved in production, marketing, and family living. They assist local leadership to determine extension programs of work. Work with youth is accomplished largely through 4-H clubs. Funds also provide for Federal program support. Extension agents are paid from Federal, State, and county sources. The increase of \$2.8 million in this item will be used (1) for assistance to low-income families relating to farming, diets and nutrition,

4-H and youth activities and (2) for programs of training in home counseling, nutrition and youth development to strengthen family units in the District of Columbia. The increase will be distributed on the basis of the formula provisions of the Smith-Lever Act (section 3c) and as authorized by Section 109 of the District of Columbia Public Education Act as amended.

2. *Retirement and employees' compensation costs for extension agents.*—The increase of \$681,500 proposed is required to meet these costs for cooperative extension agents. The mandatory retirement contribution is authorized under Public Law 854, approved July 31, 1956. The employer's contribution to the Federal retirement fund, to match contribution of these agents, is provided by this Federal appropriation.

3. *Penalty mail.*—Funds to cover the cost of penalty mailings for State extension directors and cooperative extension agents in the States are provided under this appropriation. The increase of \$201 thousand proposed is required to meet these costs.

4. *Federal Extension Service.*—The Federal Extension Service provides leadership, counsel, and assistance to the States and Puerto Rico in developing extension programs, improved teaching methods, efficient use of available resources, evaluation of programs, inservice training for extension personnel, and administrative services. The Federal Extension Service also coordinates the educational activities of other U.S. Department of Agriculture agencies. The increase requested is composed of \$101,540 to enter into cooperative agreements with selected State extension services to develop and expand pilot programs for low-income families and \$11 thousand for administrative, technical and other services provided by the Federal Extension Service in carrying out the program in the District of Columbia.

Object Classification (in thousands of dollars)

Identification code 05-12-0502-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	2,266	2,542	2,600
11.3 Positions other than permanent.....	72	41	39
11.5 Other personnel compensation.....	4	8	9
11.8 Special personal service payments.....	10	11	11
Total personnel compensation.....	2,352	2,602	2,659
12.1 Personnel benefits: Civilian employees.....	9,111	9,516	10,202
21.0 Travel and transportation of persons.....	228	265	252
22.0 Transportation of things.....	38	46	46
23.0 Rent, communications, and utilities.....	3,370	3,363	3,565
24.0 Printing and reproduction.....	71	95	96
25.0 Other services.....	462	301	385
26.0 Supplies and materials.....	26	25	25
31.0 Equipment.....	13	14	14
41.0 Grants, subsidies, and contributions.....	77,739	80,834	83,535
99.0 Total obligations.....	93,410	97,061	100,759

Personnel Summary

Total number of permanent positions.....	228	224	225
Full-time equivalent of other positions.....	7	7	6
Average number of all employees.....	212	213	213
Average GS grade.....	9.3	9.3	9.3
Average GS salary.....	\$11,240	\$12,114	\$12,317
Average FC grade.....	6.0	5.7	5.7
Average FC salary.....	\$12,458	\$13,656	\$13,979

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

Agriculture:
Consumer and Marketing Service, "Removal of surplus agricultural commodities (sec. 32)."
Soil Conservation Service, "Resource conservation and development."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-12-3905-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Cooperation with Bureau of Indian Affairs on extension program with Indians.....	28	33	33
2. Cooperation with Department of Defense on extension program work in Rural Defense Information and Education program.....	1,486	308	300
3. Teaching materials developed and provided State extension services under cooperative agreement on a cost-sharing basis.....	43	100	100
4. Cooperation with the Office of Economic Opportunity on work concerned with the development of opportunities in rural areas.....	53	42	-----
5. Agency for International Development (funds appropriated to the President).....	1,240	1,951	1,320
6. Miscellaneous services to other accounts.....	4	-----	-----
Total program costs, funded ¹	2,854	2,434	1,753
Change in selected resources ²	-28	-53	-15
10 Total obligations.....	2,826	2,381	1,738
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-2,761	-2,281	-1,638
14 Non-Federal sources ³	-68	-100	-100
25 Unobligated balance lapsing.....	3	-----	-----
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-3	-----	-----
72 Obligated balance, start of year.....	58	20	20
74 Obligated balance, end of year.....	-20	-20	-20
77 Adjustments in expired accounts.....	-13	-----	-----
90 Outlays.....	22	-----	-----

¹ Includes capital outlay as follows: 1968, \$0; 1969, \$22 thousand; 1970, \$13 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$165 thousand (1967 adjustments, -\$51 thousand); 1968, \$86 thousand; 1969, \$33 thousand; 1970, \$18 thousand.

³ Reimbursements are from cooperating State extension services for teaching materials developed under cooperative agreements and provided on a cost-sharing basis (5 U.S.C. 563; 564).

Object Classification (in thousands of dollars)

Identification code 05-12-3905-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	891	995	923
11.3 Positions other than permanent.....	26	38	38
11.5 Other personnel compensation.....	148	179	181
11.8 Special personal service payments.....	42	42	41
Total personnel compensation.....	1,107	1,254	1,183

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	05-12-3905-0-4-355	1968 actual	1969 est.	1970 est.
12.1	Personnel benefits: Civilian employees..	104	86	81
21.0	Travel and transportation of persons..	72	327	54
22.0	Transportation of things.....	17	220	8
23.0	Rent, communications, and utilities....	26	37	20
24.0	Printing and reproduction.....	94	168	145
25.0	Other services.....	181	151	144
26.0	Supplies and materials.....	10	33	9
31.0	Equipment.....	1	23	12
41.0	Grants, subsidies, and contributions....	1,214	82	82
99.0	Total obligations.....	2,826	2,381	1,738

Personnel Summary

Total number of permanent positions.....	70	81	72
Full-time equivalent of other positions.....	2	2	2
Average number of all employees.....	77	78	72
Average GS grade.....	9.3	9.3	9.3
Average GS salary.....	\$11,240	\$12,114	\$12,317
Average FC grade.....	6.0	5.7	5.7
Average FC salary.....	\$12,458	\$13,656	\$13,979

FARMER COOPERATIVE SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), **[\$1,341,000]** \$1,695,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code	05-16-0400-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:				
	Research and technical assistance for agricultural cooperatives.....	1,288	1,414	1,695
	Total program costs, funded ¹	1,288	1,414	1,695
	Change in selected resources ²	38	-----	-----
10	Total obligations.....	1,326	1,414	1,695
Financing:				
25	Unobligated balance lapsing.....	15	-----	-----
	Budget authority.....	1,341	1,414	1,695
Budget authority:				
40	Appropriation.....	1,304	1,341	1,695
42	Transferred from other accounts.....	37	-----	-----
43	Appropriation (adjusted).....	1,341	1,341	1,695
44.20	Proposed supplemental for civilian pay act increases.....	-----	73	-----
Relation of obligations to outlays:				
71	Obligations incurred, net.....	1,326	1,414	1,695
72	Obligated balance, start of year.....	142	76	100
74	Obligated balance, end of year.....	-76	-100	-133
77	Adjustments in expired accounts.....	-20	-----	-----

90	Outlays, excluding pay increase supplemental.....	1,372	1,320	1,659
91.20	Outlays from civilian pay act supplemental.....	-----	70	3

¹ Includes capital outlay as follows: 1968, \$1 thousand; 1969, \$1 thousand; 1970, \$1 thousand.

² Selected resources as of June 30, are as follows: Unpaid undelivered orders, 1967, \$88 thousand (1968 adjustments - \$20 thousand); 1968, \$106 thousand; 1969, \$106 thousand; 1970, \$106 thousand.

Farmer Cooperative Service conducts research, directly advises cooperative leaders and others, promotes cooperative organization and development through other Federal and State agencies, and publishes reports, "News for Farmer Cooperatives," and other education material. This work is aimed (1) to help farmers get better prices for their products and reduce operating expenses, (2) to help rural and small town residents use cooperatives to develop rural resources, (3) to help these cooperatives expand their services and operate more efficiently, and (4) to help all Americans understand the work of these cooperatives. The Agency also administers the Agricultural Fair Practices Act of 1967.

In 1970, the Agency will assist in developing cooperatives to improve the marketing of livestock and eggs, to expand the benefits of the marketing of vegetables, small fruits, and grain to all income groups, and to aid small farmers through joint purchasing and marketing. Experience indicates that these cooperatives can significantly enhance the income and well-being of small farmers who have limited opportunities outside agriculture.

Object Classification (in thousands of dollars)

Identification code	05-16-0400-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:				
11.1	Permanent positions.....	986	1,079	1,260
11.3	Positions other than permanent.....	17	19	30
11.5	Other personnel compensation.....	1	1	3
	Total personnel compensation.....	1,004	1,099	1,293
12.1	Personnel benefits: Civilian employees.....	78	82	97
21.0	Travel and transportation of persons.....	58	53	62
22.0	Transportation of things.....	3	4	2
23.0	Rent, communications, and utilities.....	38	42	47
24.0	Printing and reproduction.....	57	63	64
25.0	Other services.....	81	63	112
26.0	Supplies and materials.....	4	5	8
31.0	Equipment.....	3	3	10
99.0	Total obligations.....	1,326	1,414	1,695

Personnel Summary

Total number of permanent positions.....	100	100	117
Full-time equivalent of other positions.....	2	2	2
Average number of all employees.....	92	91	105
Average GS grade.....	9.6	10.0	10.0
Average GS salary.....	\$11,085	\$12,563	\$12,646

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	05-16-3904-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:				
	1. Research and technical assistance for agricultural cooperatives.....	22	30	30

2.	Agency for International Development (Funds appropriated to the President)-----	180	167	167
10	Total program costs, funded—obligations-----	202	197	197
Financing:				
11	Receipts and reimbursements from: Federal funds-----	-202	-197	-197
	Budget authority -----			
Relation of obligations to outlays:				
71	Obligations incurred, net-----			
90	Outlays-----			

Object Classification (in thousands of dollars)

11.1	Personnel compensation: Permanent positions-----	156	159	159
12.1	Personnel benefits: Civilian employees-----	10	12	12
21.0	Travel and transportation of persons-----	12	5	5
22.0	Transportation of things-----	6	3	3
25.0	Other services-----	18	18	18
99.0	Total obligations-----	202	197	197

Personnel Summary

Total number of permanent positions-----	8	8	8
Average number of all employees-----	9	9	9
Average GS grade-----	9.6	10.0	10.0
Average GS salary-----	\$11,085	\$12,563	\$12,646

Trust Funds**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

Identification code 05-16-8200-0-7-355		1968 actual	1969 est.	1970 est.
Program by activities:				
10	Miscellaneous contributed funds (costs—obligations)-----	14	15	15
Financing:				
21	Unobligated balance available, start of year-----	-3	-6	-----
24	Unobligated balance available, end of year-----	6	-----	-----
60	Budget authority (appropriation)---	17	9	15
Relation of obligations to outlays:				
71	Obligations incurred, net-----	14	15	15
72	Obligated balance, start of year-----	1	1	8
74	Obligated balance, end of year-----	-1	-8	-8
90	Outlays-----	14	8	15

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code 05-16-8200-0-7-355		1968 actual	1969 est.	1970 est.
11.1	Personnel compensation: Permanent positions-----	4	-----	-----
21.0	Travel and transportation of persons-----	7	14	14
24.0	Printing and reproduction-----	1	1	1
44.0	Refunds-----	2	-----	-----
99.0	Total obligations-----	14	15	15

SOIL CONSERVATION SERVICE

The Soil Conservation Service is responsible for various soil and water conservation activities of the Department of Agriculture, including seven action programs for which separate appropriations are made, reimbursements from other agencies for technical services performed, trust funds and miscellaneous accounts involving cooperative agreements with local organizations.

The main purposes of these program operations are to help farmers, ranchers, and other landowners in making needed land use adjustments; to conserve soil, water, and plant resources; to reduce the hazards of floods, sedimentation, and related damages; and to assist in establishing a permanent and economically sound agriculture. Such soil and water conservation treatments also provide for recreational uses of rural lands and the beautification of rural communities. These activities are conducted in cooperation with Federal and State agencies, locally managed conservation districts, and other sponsoring organizations.

The Service provides professional leadership in soil, water, and plant conservation and works directly with locally managed conservation districts and sponsors of watershed projects. Local programs and cooperative work plans are designed for the benefit of rural and urban people in their areas.

The Service also furnishes technical services for the Agricultural Conservation program; the soil and water conservation loans made by the Farmers Home Administration; the State and county rural areas development committees; and other agencies or local groups having soil and water conservation problems. These interrelated program activities are primarily for the conservation, protection, and improvement of land and water resources for the beneficial uses of all people.

Federal Funds**General and special funds:****CONSERVATION OPERATIONS**

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, **[\$114,893,000] \$118,786,000: Provided**, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (7 U.S.C. 1387, 1807, 2201, 2202, 2250; 16 U.S.C. 590q-1; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

General and special funds—Continued

CONSERVATION OPERATIONS—Continued

Program and Financing (in thousands of dollars)

Identification code 05-20-1000-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
Assistance to conservation districts, communities and other cooperators:			
(a) Soil surveys.....	19,075	19,800	19,800
(b) Technical programing, installation services, and snow surveys.....	97,509	101,048	100,830
(c) Operation of plant material centers.....	1,056	1,350	1,380
Total operating costs....	117,640	122,198	122,010
Unfunded adjustments to total operating costs shown above:			
Depreciation on property.....	-1,751	-1,800	-1,800
Office space occupied without charge.....	-3,285	-3,300	-3,350
Change in accrued annual leave ¹	-257	-655	-250
Total operating costs, funded....	112,347	116,443	116,610
Capital outlay.....	1,916	2,000	2,000
Total program costs, funded....	114,263	118,443	118,610
Change in selected resources ²	-289	343	176
10 Total obligations.....	113,974	118,786	118,786
25 Financing:			
Unobligated balance lapsing.....	939	-----	-----
Budget authority.....	114,913	118,786	118,786
Budget authority:			
40 Appropriation.....	113,500	114,893	118,786
41 Transferred to other accounts.....	-62	-87	-----
42 Transferred from other accounts.....	1,475	-----	-----
43 Appropriation (adjusted).....	114,913	114,806	118,786
44.20 Proposed supplemental for civilian pay act increases.....	-----	3,980	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	113,974	118,786	118,786
72 Obligated balance, start of year.....	6,050	5,800	6,006
74 Obligated balance, end of year.....	-5,800	-6,006	-6,398
77 Adjustments in expired accounts.....	-65	-----	-----
90 Outlays, excluding pay increase supplemental.....	114,159	114,800	118,194
91.20 Outlays from civilian pay act supplemental.....	-----	3,780	200

¹ Accrued annual leave as of June 30: 1967, \$12,839 thousand; 1968, \$13,095 thousand; 1969, \$13,750 thousand; 1970, \$14,000 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Stores.....	169	-----	177	180	200
Unpaid undelivered orders.....	2,556	-65	2,194	2,534	2,690
Total selected resources	2,725	-65	2,371	2,714	2,890

Assistance to conservation districts, community groups, and other cooperators consists mainly of the following:

(a) Standard soil surveys and investigations, with interpretations and publications, that provide physical land facts needed for program development, farm and ranch conservation planning, installation of planned practices, and for use by other Federal, State, and local agencies;

MAIN WORKLOAD FACTORS

	1968 actual	Total as of June 30, 1968 ¹	1969 estimate	1970 estimate
Soil surveys (1,000 acres).....	41,496	711,926	40,000	39,000
Soil conservation surveys.....	-----	29,627	-----	-----
Reconnaissance surveys (1,000 acres).....	4,304	19,100	2,000	2,000
Reports published (number).....	50	-----	56	71

¹ Cumulative acres mapped in districts exclude about 230 million acres of limited purpose surveys.

(b) Technical assistance to cooperating farmers and ranchers in the planning of conservation programs and installation of needed conservation treatments; (c) Technical programing, design, layout, installation services, and consultation with those practices and measures provided for in farm and ranch conservation plans;

MAIN WORKLOAD FACTORS

Total number	1968 actual	1969 estimate	1970 estimate
Conservation districts.....	3,012	3,025	3,040
District cooperators (cumulative).....	2,161,710	2,175,000	2,200,000
Basic plans (cumulative).....	1,694,156	1,710,000	1,730,000
District cooperators assisted.....	1,047,346	1,066,000	1,078,000
Community-type group jobs.....	3,741	3,800	4,000
Basic conservation plans.....	74,868	75,000	80,000
Revision of farm and ranch plans.....	33,614	35,000	35,000
Acres planned (each year).....	50,511,681	51,000,000	52,000,000

(d) Technical and other assistance with community-type jobs and control measures, including mine-spoil restoration, that can best be solved through coordinated local action; (e) The granting of special equipment to soil conservation districts for use in applying conservation practices; (f) Water supply forecasts prepared from snow surveys in Western States that are useful in making efficient seasonal use of water; (g) The selection and testing of plant materials to determine their suitability for erosion control and conservation purposes; (h) Technical assistance to participants in the agricultural conservation program in establishing specified practices; (i) Technical services to participants in other programs involving land use adjustments; (j) Technical assistance in planning and applying the soil and water conservation practices for which loans are made by the Farmers Home Administration; and (k) Consultative assistance to rural areas development committees.

Combinations of needed soil and water conservation practices are planned together and in relation to each other so as to have well balanced conservation programs in each district and for each farm or ranch. Both vegetative and structural measures are used in accordance with the needs of the land for protection, treatment, and resource improvement. Each plan reflects the decisions of the cooperating farmer or rancher as to how he will use and treat his land.

Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments with each cooperator, help to evaluate the costs and returns of conservation farming, and furnish assistance in applying the needed treatments. Cooperating landowners and operators are providing more than half the cost of practices and measures installed in district programs. Local agencies and private individuals also furnish about one-third of the total installation services used to help cooperators apply soil and water conservation practices in districts throughout the country.

Object Classification (in thousands of dollars)

Identification code 05-20-1000-0-1-354	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	87,515	91,833	92,095
11.3 Positions other than permanent.....	4,104	4,380	4,000
11.5 Other personnel compensation.....	112	115	120
Total personnel compensation.....	91,731	96,328	96,215
12.1 Personnel benefits: Civilian employees.....	7,845	8,175	8,200
21.0 Travel and transportation of persons.....	2,283	2,250	2,244
22.0 Transportation of things.....	834	825	850
23.0 Rent, communications, and utilities.....	3,521	3,450	3,500
24.0 Printing and reproduction.....	562	575	600
25.0 Other services.....	2,252	2,216	2,200
26.0 Supplies and materials.....	3,101	3,100	3,125
31.0 Equipment.....	1,775	1,800	1,810
32.0 Lands and structures.....	11	-----	-----
42.0 Insurance claims and indemnities.....	66	75	50
Subtotal.....	113,981	118,794	118,794
95.0 Quarters and subsistence charges.....	-7	-8	-8
99.0 Total obligations.....	113,974	118,786	118,786

Personnel Summary

Total number of permanent positions.....	10,230	10,100	10,100
Full-time equivalent of other positions.....	962	970	950
Average number of all employees.....	10,928	10,920	10,885
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, **[\$6,165,000]** \$6,209,000, with which shall be merged the unexpended balances of funds heretofore appropriated under this head: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1066-0-1-401	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
Small watershed project investigations and planning.....	6,603	6,938	6,445
Unfunded adjustments to total operating costs shown above:			
Depreciation on property.....	-79	-85	-95
Office space occupied without charge.....	-216	-220	-220
Change in accrued annual leave ¹	-16	-9	-10
Total operating costs, funded.....	6,292	6,624	6,120
Capital outlay, funded.....	75	80	90
Total program costs, funded.....	6,367	6,704	6,210
Change in selected resources ²	-96	3	-1
10 Total obligations.....	6,271	6,707	6,209
Financing:			
21 Unobligated balance available, start of year.....	-382	-293	-----
24 Unobligated balance available, end of year.....	293	-----	-----
Budget authority.....	6,182	6,414	6,209

Budget authority:

40 Appropriation.....	6,000	6,165	6,209
41 Transferred to other accounts.....	-10	-5	-----
42 Transferred from other accounts.....	192	-----	-----
43 Appropriation (adjusted).....	6,182	6,160	6,209
44.20 Proposed supplemental for civilian pay act increases.....	-----	254	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	6,271	6,707	6,209
72 Obligated balance, start of year.....	444	346	277
74 Obligated balance, end of year.....	-346	-277	-310
90 Outlays, excluding pay increase supplemental.....	6,369	6,535	6,163
91.20 Outlays from civilian pay act supplemental.....	-----	241	13

¹ Accrued annual leave as of June 30: 1967, \$825 thousand; 1968, \$841 thousand; 1969, \$850 thousand; 1970, \$860 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$218 thousand; 1968, \$122 thousand; 1969, \$125 thousand; 1970, \$124 thousand.

The Department cooperates with the States and other agencies in planning works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization and disposal of water.

MAIN WORKLOAD FACTORS

Applications for planning assistance:	1968 actual	1969 estimate	1970 estimate
Received, current fiscal year.....	123	150	150
Received, cumulative at June 30.....	2,716	2,866	3,016
Status of planning:			
Authorized, current fiscal year.....	100	100	25
Authorized, cumulative at June 30.....	1,411	1,511	1,536
Suspended or terminated at June 30.....	173	180	185
Completed, current fiscal year.....	75	85	85
Completed, cumulative at June 30.....	945	1,030	1,115
In process at June 30.....	293	301	236
Remaining to be planned at June 30.....	905	930	1,030
Not suitable for planning at June 30.....	400	425	450
Completed plans not yet approved for operations.....	111	46	89

Small watershed project investigations and planning.—Surveys are made by the Department of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost-sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

Object Classification (in thousands of dollars)

Identification code 05-20-1066-0-1-401	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	4,223	4,460	4,158
11.3 Positions other than permanent.....	204	230	215
11.5 Other personnel compensation.....	5	5	5
Total personnel compensation.....	4,432	4,695	4,378
12.1 Personnel benefits: Civilian employees.....	383	416	384
21.0 Travel and transportation of persons.....	302	345	319
22.0 Transportation of things.....	36	43	39
23.0 Rent, communications, and utilities.....	115	130	119
24.0 Printing and reproduction.....	134	131	112
25.0 Other services.....	226	246	190
26.0 Supplies and materials.....	85	90	81
31.0 Equipment.....	74	67	61
Total obligations, Soil Conservation Service.....	5,787	6,163	5,683

General and special funds—Continued

WATERSHED PLANNING—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-20-1066-0-1-401	1968 actual	1969 est.	1970 est.
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	330	358	378
11.3 Positions other than permanent.....	14	16	16
Total personnel compensation.....	344	374	394
12.1 Personnel benefits: Civilian employees.....	30	29	30
21.0 Travel and transportation of persons.....	34	37	31
22.0 Transportation of things.....	4	1	1
23.0 Rent, communications, and utilities.....	3	2	2
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	25	37	25
26.0 Supplies and materials.....	10	16	9
31.0 Equipment.....	2	2	2
41.0 Grants, subsidies, and contributions.....	31	45	31
Total obligations, allotment accounts.....	484	544	526
99.0 Total obligations.....	6,271	6,707	6,209
Obligations are distributed as follows:			
Soil Conservation Service.....	5,787	6,163	5,683
Economic Research Service.....	26	27	26
Forest Service.....	458	517	500

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	438	435	404
Full-time equivalent of other positions.....	45	48	46
Average number of all employees.....	471	464	438
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

ALLOTMENT ACCOUNTS

Total number of permanent positions.....	35	35	38
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	37	38	40
Average GS grade.....	7.7	7.9	7.9
Average GS salary.....	\$8,405	\$8,991	\$8,993

[WATERSHED PROTECTION]

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended; **[\$8,780,000]** \$8,187,000, with which shall be merged the unexpended balances of funds heretofore appropriated to the Department for river basin survey purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1069-0-1-401	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
River basin surveys and investigations.....	8,276	9,936	8,349
Total operation costs.....	8,276	9,936	8,349

Unfunded adjustments to total operating cost shown above:

Depreciation on property.....	-66	-70	-70
Office space occupied without charge.....	-175	-180	-185
Change in accrued annual leave ¹	-18	-20	-25
Total operating costs, funded.....	8,017	9,666	8,069
Capital outlay funded:			
Capitalized property.....	84	90	90
Total program costs, funded.....	8,101	9,756	8,159
Change in selected resources ²	-34	8	28
10 Total obligations.....	8,067	9,764	8,187
Financing:			
21 Unobligated balance available, start of year.....	-294	-700	-----
24 Unobligated balance available, end of year.....	700	-----	-----
Budget authority.....	8,472	9,064	8,187
Budget authority:			
40 Appropriation.....	8,503	8,780	8,187
41 Transferred to other accounts.....	-31	-22	-----
43 Appropriation (adjusted).....	8,472	8,758	8,187
44.20 Proposed supplemental for civilian pay act costs.....	-----	306	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	8,067	9,764	8,187
72 Obligated balance, start of year.....	620	630	633
74 Obligated balance, end of year.....	-630	-633	-713
90 Outlays, excluding pay increase supplemental.....	8,057	9,472	8,090
91.20 Outlays from civilian pay act supplemental.....	-----	289	17

¹ Accrued annual leave as of June 30: 1967, \$591 thousand; 1968, \$609 thousand; 1969, \$629 thousand; 1970, \$654 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$248 thousand; 1968, \$214 thousand; 1969, \$222 thousand; 1970, \$250 thousand.

The Department cooperates with other Federal and State agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated programs for the development of water and related land resources.

MAIN WORKLOAD FACTORS

Status of river basin studies	1968 actual	1969 estimate	1970 estimate
Initiated, current fiscal year:			
Type I.....	2	1	---
Type II.....	---	---	---
Type IV.....	5	7	6
Initiated, cumulative at June 30:			
Type I.....	10	11	11
Type II.....	15	15	15
Type IV.....	49	56	62
Completed, current fiscal year:			
Type I.....	---	1	3
Type II.....	2	8	5
Type IV.....	---	4	6
Completed, cumulative at June 30:			
Type I.....	---	1	4
Type II.....	2	10	15
Type IV.....	22	26	32
Work in progress at June 30:			
Type I.....	10	10	7
Type II.....	13	5	---
Type IV.....	¹ 27	² 30	³ 30

¹ Includes review studies of Cape Fear and Yazoo-Mississippi Delta.

² Includes review studies of Cape Fear, Yazoo-Mississippi Delta, and Tombigbee River.

³ Includes review studies of Cape Fear and Tombigbee Rivers.

River basin program development and coordination.—Section 6 of Public Law 566, 83d Congress, as amended, authorizes the Department to cooperate with other Federal, State, and local agencies in making surveys and investigations of the watersheds of rivers and other waterways as a basis for the development of coordinated water and related land resource programs. The Department currently is participating in cooperative surveys and investigations in river basins with the Corps of Engineers and other interested Federal and State agencies. It is represented on the Water Resources Council which was established to coordinate water and related land resource activities of Federal departments and agencies. It also maintains representation on four river basin commissions and four river basin interagency committees. These serve as points of contact and coordination between representatives of this Department and of other Federal departments and agencies and the States in these basin areas. They keep all concerned mutually informed of the activities of the member agencies and facilitate matters of interagency coordination.

During fiscal year 1969 the Department maintained such representation on committees in the Arkansas-White-Red, Missouri, Pacific Southwest, and Southeast areas.

This Department, together with the other member departments of the Water Resources Council, have jointly considered river basin surveys and investigations currently needed to attain the goal for surveying the river basins of the Nation which was proposed by the Senate Select Committee on National Resources and recommended by the President. Based on this joint consideration, this estimate includes \$2,383 thousand to continue these interagency comprehensive surveys during fiscal year 1970; \$4,369 thousand to continue other cooperative river basin surveys begun in prior years and to start six additional surveys in cooperation with States; and \$1,385 thousand for interregional economic analyses and interagency coordination activities. The estimate also includes \$50 thousand for flood hazard analysis.

The following tabulation shows the number of surveys and actual or estimated obligations by type of survey in fiscal years 1968, 1969, and 1970.

Explanation	[Dollars in thousands]					
	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Type of survey and amounts obligated:						
(a) Framework surveys (type I):						
(1) Surveys started during year	2	\$191	1	\$197	---	---
(2) Continuing prior year surveys	8	1,911	10	2,071	10	\$1,719
(3) Surveys completed during year	---	---	(1)	(4)	(3)	(369)
Total type I surveys	10	2,102	11	2,268	10	1,719
(b) Detailed surveys (type II):						
(1) Surveys started	---	---	---	---	---	---
(2) Continuing prior year surveys	15	1,804	13	1,314	5	664
(3) Surveys completed during year	(2)	(20)	(8)	(306)	(5)	(664)
Total type II surveys	15	1,804	13	1,314	5	664
(c) Surveys in cooperation with State and other Federal agencies (type IV):						
(1) Surveys started during year	5	320	7	584	6	544
(2) Continuing prior year surveys	122	2,940	28	4,029	30	3,825
(3) Surveys completed during year	---	---	(5)	(500)	(6)	(515)
Total type IV surveys	27	3,260	35	4,613	36	4,369
Total surveys and obligations	52	7,166	59	8,195	51	6,752
2. Interregional economic analysis	---	159	---	184	---	185
3. Flood hazard analysis	---	4	---	20	---	50
4. Interagency coordination and program formulation	---	738	---	1,365	---	1,200
Total obligations	---	8,067	---	9,764	---	8,187

¹ Includes review studies of Yazoo-Mississippi River Delta and Cape Fear.

² Includes review studies of Cape Fear, Yazoo-Mississippi and Tombigbee River Basins.

³ Includes review studies of Cape Fear and Tombigbee River Basins.

Object classification (in thousands of dollars)

Identification code 05-20-1069-0-1-401	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions	3,967	4,631	4,186
11.3 Positions other than permanent	221	410	200
11.5 Other personnel compensation	6	7	7
Total personnel compensation	4,194	5,048	4,393
12.1 Personnel benefits: Civilian employees	367	454	384
13.0 Benefits for former personnel	---	12	---
21.0 Travel and transportation of persons	244	308	230
22.0 Transportation of things	54	74	45
23.0 Rent, communications, and utilities	94	99	80
24.0 Printing and reproduction	157	243	140
25.0 Other services	308	477	300
26.0 Supplies and materials	47	80	45
31.0 Equipment	78	106	70
42.0 Insurance claims and indemnities	2	---	---
Total obligations, Soil Conservation Service	5,545	6,901	5,687

ALLOTMENT ACCOUNTS

Personnel compensation:			
11.1 Permanent positions	1,815	2,067	1,939
11.3 Positions other than permanent	53	69	50
Total personnel compensation	1,868	2,136	1,989
12.1 Personnel benefits: Civilian employees	162	169	157
21.0 Travel and transportation of persons	180	220	136
22.0 Transportation of things	15	18	11
23.0 Rent, communications, and utilities	43	48	34
24.0 Printing and reproduction	8	18	9
25.0 Other services	201	160	122
26.0 Supplies and materials	20	71	29
31.0 Equipment	25	23	13
Total obligations, allotment accounts	2,522	2,863	2,500
99.0 Total obligations	8,067	9,764	8,187
Obligations are distributed as follows:			
Soil Conservation Service	5,545	6,901	5,687
Economic Research Service	1,496	1,636	1,435
Forest Service	1,026	1,227	1,065

General and special funds—Continued

RIVER BASIN SURVEYS AND INVESTIGATIONS—Continued

Personnel Summary

	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	395	444	397
Full-time equivalent of other positions.....	48	85	42
Average number of all employees.....	433	514	430
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

ALLOTMENT ACCOUNTS

Total number permanent positions.....	182	183	178
Full-time equivalent of other positions.....	15	15	13
Average number of all employees.....	185	185	179
Average GS grade.....	8.6	8.8	8.8
Average GS salary.....	\$9,507	\$10,360	\$10,393

WATERSHED WORKS OF IMPROVEMENT

For necessary expenses to carry out preventive measures, including, but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590 a-f), to remain available until expended; **[\$57,220,000]** \$64,078,000 with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That **[\$3,000,000]** \$5,000,000 of the funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans. (7 U.S.C. 2201, 2202; *Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-20-1067-0-1-401	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
1. Watershed works of improvement.....	60,898	73,725	71,161
2. Loan services.....	286	250	300
Total operating costs.....	61,184	73,975	71,461
Unfunded adjustments to total operating costs shown above:			
Depreciation on property.....	-371	-375	-380
Office space occupied without charge.....	-555	-560	-560
Change in accrued annual leave ¹	-61	-65	-65
Total operating costs, funded....	60,197	72,975	70,456
Capital outlay, funded:			
1. Capitalized property.....	615	620	630
2. Loans.....	2,571	2,210	1,028
3. Advances for future water supply.....	105	160	150
Total capital outlay.....	3,291	2,990	1,808
Total program costs, funded....	63,488	75,965	72,264
Change in selected resources ²	-6,440	-10,998	-8,186
Total obligations.....	57,048	64,967	64,078

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Financing:

21	Unobligated balance available, start of year.....	-2,255	-7,094	-----
24	Unobligated balance available, end of year.....	7,094	-----	-----
	Budget authority.....	61,887	57,873	64,078
	Budget authority:			
40	Appropriation.....	61,900	57,220	64,078
41	Transferred to other accounts.....	-13	-35	-----
43	Appropriation (adjusted).....	61,887	57,185	64,078
44.20	Proposed supplemental for civilian pay act increases.....	-----	688	-----
	Relation of obligations to outlays:			
71	Obligations incurred, net.....	57,048	64,967	64,078
72	Obligated balance, start of year.....	54,846	47,879	35,393
74	Obligated balance, end of year.....	-47,879	-35,393	-25,875
90	Outlays, excluding pay increase supplemental.....	64,015	76,793	73,568
91.20	Outlays from civilian pay act supplemental.....	-----	660	28

¹ Accrued annual leave as of June 30: 1967, \$2,392 thousand; 1968, \$2,453 thousand; 1969 estimate, \$2,518 thousand; 1970 estimate, \$2,583 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Unpaid undelivered orders.....	42,664	38,548	29,410	22,252
Undisbursed loans.....	5,194	2,883	1,028	-----
Advances.....	18	5	-----	-----
Total selected resources....	47,876	41,436	30,438	22,252

The Department cooperates with the States and other agencies in installing works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion, and for the conservation, development, utilization, and disposal of water. It provides loans to local organizations to help them finance their share of the costs of certain works of improvement.

MAIN WORKLOAD FACTORS

Status of Public Law 566 projects approved for operations:	1968 actual	1969 estimate	1970 estimate
Approved, current fiscal year.....	17	150	42
Approved, cumulative at June 30....	834	984	1,026
Completed, current fiscal year.....	46	45	75
Completed, cumulative at June 30....	205	250	325
Work in progress at June 30.....	629	734	701

1. *Watershed works of improvement.*—The Department provides technical and financial assistance to local organizations to install the watershed works of improvement for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife development features specified in the work plans.

(a) *Pilot demonstration watersheds.*—Sixty-two pilot watersheds were started in 1954 in cooperation with local sponsors under authority of the Act of April 27, 1935 (16 U.S.C. 590 a-f) to demonstrate and evaluate the effectiveness of works of improvement installed in small watersheds for watershed protection and flood prevention. As of June 30, 1968, work had been discontinued in eight projects and completed as planned in 52 except for project evaluation studies which will be underway until 1970 in some of these. The following table shows the current status of the pilot watershed projects. Obligations for project evaluation studies are not reflected in the table subsequent to 1959 as these costs were determined not properly chargeable to projects. Obligations for such studies amount to \$74 thousand in 1968 and are estimated at \$100 thousand each year in 1969 and 1970.

[Dollars in thousands]

Explanation	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
Uncompleted projects at beginning of year and estimated completion cost.....	2	\$275		\$103	--	-----
Status of projects and amounts obligated:						
1. Projects completed during the year.....	--	-----	2	103	--	-----
2. Projects continuing construction and land treatment.....	2	172	--	-----	--	-----
Total.....	2	172	2	103	--	-----
3. Uncompleted projects at end of year:						
(a) Obligations to date ¹	2	2,687	--	-----	--	-----
(b) Estimated completion cost.....	--	103	--	-----	--	-----
4. Projects completed (cumulative) and total cost ¹	52	40,527	54	43,317	--	-----
5. Projects discontinued (cumulative) and total cost.....	8	330	8	330	--	-----
6. Total projects approved and estimated total cost.....	62	43,647	62	43,647	--	-----
7. Total obligations (cumulative).....	--	43,544	--	43,647	--	-----

¹ Includes \$1,264,860 for project evaluation studies charged to project costs prior to the fiscal year 1960.

(b) *Public Law 566 watersheds*.—After local sponsoring organizations have developed watershed work plans with the Department's assistance or with State and local resources, and the projects have been approved as suitable for Federal participation (projects involving an estimated Federal contribution in excess of \$250 thousand for construction or any single structure having a capacity in excess of 2,500 acre-feet require congressional approval), technical services and financial assistance are provided for specified works of improvement. On non-Federal lands local sponsoring organizations may contract for construction work or request the SCS to do the contracting for them, operate and maintain the projects, and in the case of multiple-purpose structures, bear a share of construction costs. In addition, local organizations must acquire water rights and furnish land, easements, and rights-of-way for all structural measures except that the Federal Government may pay up to one-half the cost of land, easements, and rights-of-way allocated to public fish and wildlife and recreational developments. Federal agencies do this work on Federal lands which they administer with appropriate contributions being made by the local people who receive benefits.

Preconstruction land treatment and engineering services are furnished to all approved projects before they are advanced to the construction stage. During the preconstruction stage, surveys and investigations are made and detailed designs, specifications, and engineering cost estimates are prepared for construction of structural works; areas are delineated where easements are required, and technical services are furnished for accelerating planning and application of land-treatment measures if provided for in the watershed work plan.

The project construction stage begins with the execution of the first project agreement for construction of works of improvement. Under a project agreement the local sponsoring organization agrees to construct a segment of the project which may consist of an individual or an inter-related group of structures. The agreement obligates the Department to furnish its share of the construction cost. Engineering and other services are provided for the preparation of contracts and inspection of construction. Payments are made to the local contracting organization when they do the contracting in accordance with the project agreement as the work progresses. When a local organization requests the SCS to do the contracting for works of improvement, the SCS makes payments directly to the contractor as work progresses. This will include both amounts financed from Federal funds and contributions received from local organizations for their share of construction cost. Technical assistance in planning and installing land-treatment measures is continued as called for in the watershed work plan.

The following tabulation shows the status of Public Law 566 projects and amounts obligated or estimated to be obligated. The table does not reflect minor obligations for project evaluation studies (\$222 thousand cumulatively as of June 30, 1968) for balances remaining in the undistributed equipment account (\$504 thousand cumulatively as of June 30, 1968) or for advances for future water supplies (\$251 thousand cumulatively as of June 30, 1968).

The following tabulation shows on a national basis the status of projects by category of assistance provided, and funds obligated in 1968 and programed for obligations in 1969 and 1970 on the basis of available funds.

[Dollars in thousands]

Explanation	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Projects approved for operations and estimated cost of completion:						
(a) Uncompleted projects at beginning of year.....	658	\$566,710	629	\$520,555	734	\$678,846
(b) Projects approved during year.....	17	9,870	150	222,450	42	63,000
Total.....	675	576,580	779	743,005	776	741,846
2. Status of projects and amounts obligated:						
(a) Projects not requiring funds.....	32	-----	55	-----	55	-----
(b) Projects receiving land treatment and engineering services.....	174	5,057	242	5,330	259	5,698
(c) Projects moved into construction stage during year.....	43	8,561	55	11,000	25	5,500
(d) Prior year projects continuing construction and land treatment.....	369	41,579	357	46,868	337	51,045
(e) Projects with construction completed continuing land treatment.....	11	101	25	250	25	250
(f) Projects completed during year.....	46	727	45	711	75	1,185
Total.....	675	56,025	779	64,159	776	63,678
3. Uncompleted projects (cumulative) at end of year:						
(a) Obligations to date.....	629	358,785	734	354,891	701	313,569
(b) Estimated cost of completion.....	629	520,555	734	678,846	701	678,168
4. Projects completed (cumulative) and total cost.....	205	88,947	250	157,000	325	262,000
5. Total projects approved (cumulative) and total cost.....	834	968,287	984	1,190,737	1,026	1,253,737
6. Total obligations (cumulative).....	---	447,732	---	511,891	-----	575,569

General and special funds—Continued

WATERSHED WORKS OF IMPROVEMENT—Continued

2. *Loan services.*—Loans are made to local sponsoring organizations to finance the local cost of installing works of improvement in approved watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements become available. Loans will be made from prior year unobligated balances of \$355 thousand and an additional \$3 million will be available in 1969 and \$5 million in 1970 from the Direct Loan Account of the Farmers Home Administration. Loan services related to processing and making loans will be financed from new obligational authority available in this appropriation.

Object Classification (in thousands of dollars)

Identification code 05-20-1067-0-1-401	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	17,141	18,848	18,970
11.3 Positions other than permanent.....	1,467	1,861	1,800
11.5 Other personnel compensation.....	324	386	330
Total personnel compensation.....	18,932	21,095	21,100
12.1 Personnel benefits: Civilian employees.....	1,571	1,635	1,640
21.0 Travel and transportation of persons.....	640	670	660
22.0 Transportation of things.....	170	200	195
23.0 Rent, communications, and utilities.....	557	644	644
24.0 Printing and reproduction.....	334	385	370
25.0 Other services.....	1,400	1,366	1,330
(Construction).....	195	2,000	5,000
26.0 Supplies and materials.....	583	594	575
31.0 Equipment.....	445	500	485
33.0 Investments and loans.....	248	125	150
41.0 Grants, subsidies, and contributions.....	30,483	34,103	30,521
42.0 Insurance claims and indemnities.....	3	4	-----
Total obligations, Soil Conservation Service.....	55,561	63,321	62,670
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	456	492	543
11.3 Positions other than permanent.....	42	41	54
Total personnel compensation.....	498	533	597
12.1 Personnel benefits: Civilian employees.....	39	39	46
21.0 Travel and transportation of persons.....	40	35	46
22.0 Transportation of things.....	9	7	9
23.0 Rent, communications, and utilities.....	14	7	10
24.0 Printing and reproduction.....	2	1	1
25.0 Other services.....	113	136	132
26.0 Supplies and materials.....	45	38	42
31.0 Equipment.....	6	4	5
32.0 Lands and structures.....	24	18	26
33.0 Investments and loans.....	266	355	-----
41.0 Grants, subsidies, and contributions.....	431	473	494
Total obligations, allotment accounts.....	1,487	1,646	1,408
99.0 Total obligations.....	57,048	64,967	64,078
Obligations are distributed as follows:			
Department of Agriculture:			
Soil Conservation Service.....	55,561	63,321	62,670
Economic Research Service.....	128	132	120
Farmers Home Administration.....	546	605	300
Forest Service.....	712	807	896
Department of the Interior.....	101	102	92

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	2,079	2,156	2,170
Full-time equivalent of other positions.....	327	393	381
Average number of all employees.....	2,346	2,487	2,488
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	55	46	52
Full-time equivalent of other positions.....	8	7	9
Average number of all employees.....	51	52	59
Average GS grade.....	7.6	7.9	7.8
Average GS salary.....	\$8,385	\$9,127	\$9,078

FLOOD PREVENTION

For necessary expenses, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including funds for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109, to remain available until expended; **[\$20,000,000]** \$20,223,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided, That* **[\$400,000]** \$500,000 of funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-20-1036-0-1-401	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
1. Works of improvement.....	22,040	27,260	21,122
2. Loan services.....	124	110	100
Total operating costs.....	22,164	27,370	21,222
Unfunded adjustments to total operating costs shown above:			
Depreciation on property.....	-116	-120	-120
Office space occupied without cost.....	-122	-122	-124
Change in accrued annual leave ¹	-18	-20	-22
Total operating costs, funded.....	21,908	27,108	20,956
Capital outlay funded:			
1. Capitalized property.....	1,118	1,135	1,135
2. Loans.....	154	226	1,799
Total capital outlay.....	1,272	1,361	2,934
Total program costs, funded.....	23,180	28,469	23,890
Change in selected resources ²	-1,126	-517	-3,667
10 Total obligations.....	22,054	27,952	20,223
Financing:			
21 Unobligated balance available, start of year.....	-4,032	-7,729	-----
24 Unobligated balance available, end of year.....	7,729	-----	-----
Budget authority.....	25,751	20,223	20,223
Budget authority:			
40 Appropriation.....	25,753	20,000	20,223
41 Transferred to other accounts.....	-2	-1	-----
43 Appropriation (adjusted).....	25,751	19,999	20,223
44.20 Proposed supplemental for civilian pay act increases.....	-----	224	-----

Relation of obligations to outlays:				
71	Obligations incurred, net.....	22,054	27,952	20,223
72	Obligated balance, start of year.....	13,042	12,106	11,378
74	Obligated balance, end of year.....	-12,106	-11,378	-6,659
90	Outlays, excluding pay increase supplemental.....	22,990	28,465	24,933
91.20	Outlays from civilian pay act supplemental.....		215	9

¹ Accrued annual leave as of June 30: 1967, —\$778 thousand; 1968, —\$796 thousand; 1969, —\$816 thousand; 1970, —\$838 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Unpaid undelivered orders.....	10,774	9,951	7,861	5,993
Undisbursed loans.....	529	226	1,799	-----
Total selected resources....	11,303	10,177	9,660	5,993

1. *Works of improvement.*—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention and for furthering the conservation, development, utilization, and disposal of water in the 11 watersheds authorized by the Flood Control Act of 1944. One of these, Buffalo Creek, New York, was completed in 1964. The Federal Government shares in the cost of works of improvement for flood prevention, agricultural water management, recreation, and fish and wildlife development facilities.

The Department furnishes additional technical and in certain instances financial assistance to landowners to accelerate planning and installation of land treatment measures for runoff retardation, sediment control, and water management. Local sponsoring organizations must furnish all land, easements, and rights-of-way, water rights, and the entire cost of works of improvement for nonagricultural water management measures, except those for fish and wildlife development and recreation, and operate and maintain all completed works of improvement.

2. *Loan services.*—Loans are made to local organizations to help finance their share of the costs of planned works of improvement. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Loans from this appropriation will be made in 1969 from the \$1.9 million in unobligated balances carried over from prior years. Additional loans if needed in 1969 and in 1970 may be made from the Direct Loan Account of the Farmers Home Administration.

Object Classification (in thousands of dollars)

Identification code 05-20-1036-0-1-401	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	5,640	6,063	5,850
11.3 Positions other than permanent.....	690	750	720
11.5 Other personnel compensation.....	92	108	90
Total personnel compensation....	6,422	6,921	6,660
12.1 Personnel benefits: Civilian employees.....	524	554	535
21.0 Travel and transportation of persons.....	180	183	175
22.0 Transportation of things.....	44	48	40
23.0 Rent, communications, and utilities.....	179	170	170
24.0 Printing and reproduction.....	114	125	110
25.0 Other services.....	1,135	1,326	950
(Construction).....	8,447	11,411	7,470
26.0 Supplies and materials.....	641	662	605
31.0 Equipment.....	142	154	135
41.0 Grants, subsidies, and contributions.....	629	370	150
42.0 Insurance claims and indemnities.....	-16	-----	-----
Total obligations, Soil Conservation Service.....	18,441	21,924	17,000

ALLOTMENT ACCOUNTS

Personnel compensation:			
11.1 Permanent positions.....	1,328	1,248	1,197
11.3 Positions other than permanent.....	754	801	654
11.5 Other personnel compensation.....	32	29	20
Total personnel compensation.....	2,114	2,078	1,871
12.1 Personnel benefits: Civilian employees.....	159	162	146
21.0 Travel and transportation of persons.....	32	40	25
22.0 Transportation of things.....	137	197	120
23.0 Rent, communications, and utilities.....	99	141	86
24.0 Printing and reproduction.....	1	-----	-----
25.0 Other services.....	380	458	286
26.0 Supplies and materials.....	444	607	371
31.0 Equipment.....	33	50	32
32.0 Lands and structures.....	313	475	290
33.0 Investments and loans.....	-149	1,799	-----
41.0 Grants, subsidies, and contributions.....	93	63	39
Subtotal.....	3,656	6,070	3,266
95.0 Quarters and subsistence charges.....	-43	-42	-43
Total obligations, allotment accounts.....	3,613	6,028	3,223
99.0 Total obligations.....	22,054	27,952	20,223

Obligations are distributed as follows:

Soil Conservation Service.....	18,441	21,924	17,000
Economic Research Service.....	44	45	43
Farmers Home Administration.....	-25	1,909	100
Forest Service.....	3,594	4,074	3,080

Personnel Summary

SOIL CONSERVATION SERVICE

Total number of permanent positions.....	692	708	664
Full-time equivalent of other positions.....	155	164	155
Average number of all employees.....	839	852	819
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

ALLOTMENT ACCOUNTS

Total number of permanent positions.....	173	172	149
Full-time equivalent of other positions.....	178	185	151
Average number of all employees.....	346	335	295
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,300	\$8,868	\$8,879

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), [“\$16,000,000”] \$14,000,000, to remain available until expended (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-20-2268-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
Great Plains conservation program.....	15,862	16,084	14,920
Unfunded adjustments to total operating cost shown above:			
Depreciation on property.....	-49	-54	-51
Office space occupied without charge.....	-37	-40	-45
Change in accrued annual leave ¹	-4	-23	-4
Total operating cost, funded.....	15,772	15,967	14,820
Capital outlay.....	27	35	30
Total program cost, funded.....	15,799	16,002	14,850

¹ Accrued annual leave as of June 30 are as follows: 1967, \$469 thousand; 1968, \$473 thousand; 1969, \$496 thousand; 1970, \$500 thousand.

General and special funds—Continued

GREAT PLAINS CONSERVATION PROGRAM—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-20-2268-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities—Continued			
Change in selected resources ²	-1,245	2,000	-850
10 Total obligations.....	14,554	18,002	14,000
Financing:			
21 Unobligated balance available, start of year.....	-60	-1,842	-----
24 Unobligated balance available, end of year.....	1,842	-----	-----
Budget authority.....	16,336	16,160	14,000
Budget authority:			
40 Appropriation.....	16,336	16,000	14,000
44.20 Proposed supplemental for civilian pay act increases.....	-----	160	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	14,554	18,002	14,000
72 Obligated balance, start of year.....	29,601	28,320	29,987
74 Obligated balance, end of year.....	-28,320	-29,987	-27,262
90 Outlays, excluding pay increase supplemental.....	15,835	16,185	16,715
91.20 Outlays from civilian pay act supplemental.....	-----	150	10

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967: \$28,895 thousand; 1968, \$27,650 thousand; 1969, \$29,650 thousand; 1970, \$28,800 thousand.

This program provides cost-sharing assistance and technical services to participating farmers and ranchers in the development and installation of long-term conservation plans for their land. It is a voluntary program which supplements other conservation programs of the Department in 421 designated counties of 10 Great Plains States. Cost-sharing contracts with individual landowners extend over periods of 3 to 10 years and include a plan of conservation operations for each farm or ranch.

The primary purpose of this program is to achieve needed land use adjustments, conservation treatments, and economic stability when the contracted work is installed within specific time schedules. The needs for technical help increase over a period of years as more participants enter the program. This increasing workload is in two parts; namely: (a) assistance to new participants in preparing long-term contracts; and (b) installation services in accordance with the terms and period of time specified in each contract.

MAIN WORKLOAD FACTORS

Program participants:	1968 actual	1969 estimate	1970 estimate
New contracts during year.....	3,227	4,250	3,000
Active contracts end of year (net of terminations).....	18,732	19,482	18,800

As of June 30, 1968, there was a backlog of 5,019 unserved applications pending, and a total of 18,732 farmers and ranchers were cooperating in this cost-share program. Cooperating landowners finance the entire cost of installing recurring management type practices and pay a specified part of the cost-shared practices installed on their land.

Program regulations provide that cost-share rates offered in any contract shall not exceed 80% of the average cost of installing each eligible practice within the

designated county. The rate of cost-sharing varies among practices and between States due to differences in average costs for installation. Federal cost-sharing is further limited to \$2,500 for the construction, enlarging, or deepening of any dam, pit, or pond for irrigation water; and to not more than \$2,500 for irrigation practices in any one contract, or one-fourth of the total Federal obligation, whichever is larger. There is also a cost-sharing limitation of \$25 thousand for any contract.

Each participant who signs a Great Plains program contract is responsible for installing his plan of operations; and the Department is committed to furnish the necessary technical help needed for design, layout, and other services. Cooperating farmers and ranchers are encouraged to make use of other available assistance under local, State and Federal programs as a means of further improving their land and water resources.

Object Classification (in thousands of dollars)

Identification code 05-20-2268-0-1-354	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	2,945	3,130	3,013
11.3 Positions other than permanent.....	267	285	275
11.5 Other personnel compensation.....	2	2	2
Total personnel compensation.....	3,214	3,417	3,290
12.1 Personnel benefits: Civilian employees.....	265	278	280
21.0 Travel and transportation of persons.....	42	45	40
22.0 Transportation of things.....	23	25	20
23.0 Rent, communications, and utilities.....	52	53	53
24.0 Printing and reproduction.....	10	10	10
25.0 Other services.....	62	65	60
26.0 Supplies and materials.....	114	125	120
31.0 Equipment.....	28	35	30
41.0 Grants, subsidies, and contributions.....	10,604	13,842	10,000
Total obligations, Soil Conservation Service.....	14,414	17,895	13,903
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	30	18	8
11.3 Positions other than permanent.....	3	-----	-----
Total personnel compensation.....	33	18	8
12.1 Personnel benefits: Civilian employees.....	3	1	1
21.0 Travel and transportation of persons.....	4	-----	-----
25.0 Other services.....	100	88	88
Total obligations, allotment accounts.....	140	107	97
99.0 Total obligations.....	14,554	18,002	14,000

Obligations are distributed as follows:

Soil Conservation Service.....	14,414	17,895	13,903
Agricultural Stabilization and Conservation Service.....	79	79	79
Economic Research Service.....	43	10	-----
Office of Information.....	18	18	18

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	360	374	365
Full-time equivalent of other positions.....	56	60	58
Average number of all employees.....	410	415	405
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	5	2	1
Average number of all employees.....	4	2	1
Average GS grade.....	8.5	8.4	8.2
Average GS salary.....	\$9,720	\$9,640	\$9,500

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), **[\$6,256,000]** \$10,252,000, to remain available until expended: *Provided*, That **[\$1,500,000]** \$2,000,000 of the funds available in the direct loan account of the Farmers Home Administration shall be available for loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended, to remain available until expended: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code	05-20-1010-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities:				
Operating costs:				
1. Project investigations and planning.....	727	400	1,160	
2. Resource development and technical services.....	5,410	6,167	9,095	
3. Loan services.....	284	157	100	
Total operating costs.....	6,421	6,724	10,355	
Unfunded adjustments to total operating costs shown above:				
Depreciation on property.....	-51	-55	-60	
Office space occupied without charge.....	-54	-60	-70	
Change in accrued annual leave ¹	-16	-20	-30	
Total operating costs, funded.....	6,300	6,589	10,195	
Capital outlay, funded:				
1. Capitalized property.....	90	95	100	
2. Loans.....	481	500	746	
Total capital outlay.....	571	595	846	
Total program costs, funded.....	6,871	7,184	11,041	
Change in selected resources ²	1,195	12	-789	
10 Total obligations.....	8,066	7,196	10,252	
Financing:				
21 Unobligated balance available, start of year.....	-2,658	-833	-----	
24 Unobligated balance available, end of year.....	833	-----	-----	
Budget authority.....	6,241	6,363	10,252	
Budget authority:				
40 Appropriation.....	6,129	6,256	10,252	
41 Transferred to other accounts.....	-8	-4	-----	
42 Transferred from other accounts.....	120	-----	-----	
43 Appropriation (adjusted).....	6,241	6,252	10,252	
44.20 Proposed supplemental for civilian pay act increases.....	-----	111	-----	
Relation of obligations to outlays:				
71 Obligations incurred, net.....	8,066	7,196	10,252	
72 Obligated balance, start of year.....	2,196	3,423	3,470	
74 Obligated balance, end of year.....	-3,423	-3,470	-2,542	
90 Outlays, excluding pay increase supplemental.....	6,839	7,041	11,177	

91.20 Outlays from civilian pay act supplemental..... 108 3

¹ Accrued annual leave as of June 30: 1967, -\$287 thousand; 1968, -\$303 thousand; 1969, -\$323 thousand; 1970, -\$353 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Unpaid undelivered orders.....	1,218	1,870	2,204	2,161
Undisbursed loans.....	522	1,068	746	-----
Advances.....	3	-----	-----	-----
Total selected resources.....	1,743	2,938	2,950	2,161

The Department cooperates with other Federal agencies, States, local units of government, groups and individuals in developing and carrying out programs and plans for resource conservation and development on private lands and shares in the cost of installing planned project measures, when justified as a public need. Loans are provided to local sponsoring organizations and to individuals, when needed to help them finance their share of the cost of certain measures which are in the public interest.

Technical assistance is provided in each project area approved for planning to help sponsoring organizations prepare overall plans for resource conservation and development. Project measures planned will contribute to improvement in the economy of the area and to needed land use adjustments. Project plans are expected to be finished and operations begun in 44 areas by June 30, 1969. Completion of the seven project plans started in 1969 and the 12 project plans initiated in 1970 will bring the number of projects in operation by June 30, 1970, to 63.

Each project authorized for operations is provided technical assistance to help cooperating groups and individuals plan and install land treatment measures for which no cost-shares are paid from this appropriation; to design and supervise installation of project measures; and, to assist the preparation of plans for resource development and economic improvement within project areas.

The main workload factors in 1970 include:

(a) Assistance to local sponsors in developing suitable plans.

(b) Operations in 63 project areas for which plans will have been completed.

(c) Acceleration of project measure installation expected to be made possible by additional State and local funds.

Field work under this program consists, primarily, of planning, designing, and supervision of installation of project measures and conservation practices, the purpose of which is to develop or improve the economic use of natural resources. This includes recreation facilities and income-producing enterprises where needed and based on proper land use. Investigations, surveys and planning are prerequisite to the operating phase of this program. Financial contributions, loans, and other Federal assistance are used to help plan and install project measures as specified in work plans.

Local sponsoring organizations are expected to provide about \$20 million of non-Federal funds for project operations during 1970. This is an average of \$450 thousand per operating project.

Loans are made to local organizations to help finance their share of the costs of installing project measures. The unobligated balance of loan funds carried forward to 1969 will be obligated for loans in 1969. Additional funds will be available for loans from the Direct Loan Account of the Farmers Home Administration.

General and special funds—Continued

RESOURCE CONSERVATION AND DEVELOPMENT—Continued

Object Classification (in thousands of dollars)

Identification code 05-20-1010-0-1-354	1968 actual	1969 est.	1970 est.
SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	3,198	3,796	5,700
11.3 Positions other than permanent.....	260	307	378
11.5 Other personnel compensation.....	11	16	20
Total personnel compensation.....	3,469	4,119	6,098
12.1 Personnel benefits: Civilian employees.....	303	370	425
21.0 Travel and transportation of persons.....	156	175	195
22.0 Transportation of things.....	33	45	50
23.0 Rent, communications, and utilities.....	105	122	130
24.0 Printing and reproduction.....	71	75	60
25.0 Other services.....	127	172	285
(Construction).....	1,004	731	1,540
26.0 Supplies and materials.....	131	135	140
31.0 Equipment.....	130	75	100
41.0 Grants, subsidies, and contributions.....	574	75	179
Total obligations, Soil Conservation Service.....	6,103	6,094	9,202
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	365	280	255
11.3 Positions other than permanent.....	2	3	2
Total personnel compensation.....	367	283	257
12.1 Personnel benefits: Civilian employees.....	29	21	20
21.0 Travel and transportation of persons.....	34	12	15
22.0 Transportation of things.....	1	-----	1
23.0 Rent, communications, and utilities.....	15	-----	-----
24.0 Printing and reproduction.....	2	-----	-----
25.0 Other services.....	205	202	262
26.0 Supplies and materials.....	1	-----	1
31.0 Equipment.....	1	-----	1
33.0 Investments and loans.....	1,027	178	-----
41.0 Grants, subsidies, and contributions.....	281	406	493
Total obligations, allotment accounts.....	1,963	1,102	1,050
99.0 Total obligations.....	8,066	7,196	10,252
Obligations are distributed as follows:			
Soil Conservation Service.....	6,103	6,094	9,202
Economic Research Service.....	139	126	160
Federal Extension Service.....	200	200	260
Farmers Home Administration.....	1,311	335	100
Forest Service.....	313	441	530

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	378	424	639
Full-time equivalent of other positions.....	55	65	80
Average number of all employees.....	416	470	694
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	36	27	23
Full-time equivalent of other positions.....	1	2	0
Average number of all employees.....	36	26	22
Average GS grade.....	7.8	8.1	8.4
Average GS salary.....	\$8,665	\$9,497	\$9,936

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, as follows:
Executive: Appalachian Regional Commission, "Appalachian Regional Development Programs."
Commerce: Economic Development Administration, "Development Facilities Grants."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-20-3988-0-4-999	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs:			
1. Sale of maps and mosaics.....	939	957	988
2. Sale of personal property.....	508	544	574
3. Technical assistance to agricultural conservation program participants.....	8,154	8,410	5,000
4. Soil mechanics testing.....	91	93	93
5. Small watershed project investigation and planning.....	1,276	1,300	1,350
6. Small watershed works of improvement.....	420	455	550
7. River basin studies.....	221	270	310
8. Technical services to International Agricultural Development Service.....	40	51	60
9. Technical services to Agency for International Development.....	1,075	1,120	1,170
10. Soil surveys.....	1,287	1,400	1,600
11. Miscellaneous services to other accounts.....	365	404	491
Total operating costs.....	14,376	15,004	12,186
Unfunded adjustments to total operating costs shown above:			
Depreciation on property.....	-24	-26	-26
Office space occupied without charge.....	-58	-60	-60
Change in accrued annual leave ¹	-2	-----	-----
Total operating costs, funded.....	14,292	14,918	12,100
Capital outlay.....	466	470	470
Total program costs, funded.....	14,758	15,388	12,570
Change in selected resources ²	6	16	20
10 Total obligations.....	14,764	15,404	12,590
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-11,446	-11,869	-8,840
14 Non-Federal sources ³	-3,318	-3,535	-3,750
Budget authority.....	-----	-----	-----

Relation of obligations to outlays:

71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----

¹ Accrued annual leave as of June 30: 1967, \$0; 1968, \$2 thousand; 1969, \$2 thousand; 1970, \$2 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$859 thousand (1968 adjustments, \$19 thousand); 1968, \$884 thousand; 1969, \$900 thousand; 1970, \$920 thousand.

³ Reimbursements from non-Federal sources above are from State, county, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (16 U.S.C. 590a-590f); from Government agencies, farmers or other persons for reproduction of aerial and other photographs, mosaics, and soil, land use, and other maps (7 U.S.C. 1387); from proceeds of sale of personal property (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)			
Identification code 05-20-3988-0-4-999	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	9,366	9,760	7,154
11.3 Positions other than permanent.....	1,587	1,670	1,289
11.5 Other personnel compensation.....	105	110	110
Total personnel compensation.....	11,058	11,540	8,553
12.1 Personnel benefits: Civilian employees.....	856	880	650
21.0 Travel and transportation of persons.....	191	200	210
22.0 Transportation of things.....	55	60	60
23.0 Rent, communications, and utilities.....	182	185	190
24.0 Printing and reproduction.....	76	75	75
25.0 Other services.....	1,217	1,320	1,677
26.0 Supplies and materials.....	541	545	550
31.0 Equipment.....	543	550	580
41.0 Grants, subsidies, and contributions.....	45	45	45
99.0 Total obligations.....	14,764	15,404	12,590

Personnel Summary			
Total number of permanent positions.....	1,253	1,256	934
Full-time equivalent of other positions.....	283	285	220
Average number of all employees.....	1,502	1,507	1,129
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

Trust Funds			
MISCELLANEOUS CONTRIBUTED FUNDS			
Program and Financing (in thousands of dollars)			
Identification code 05-20-8200-0-7-999	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs: Miscellaneous contributed funds.....	910	1,022	1,190
Total operating costs.....	910	1,022	1,190
Unfunded adjustments of total operating costs:			
Depreciation included above.....	-4	-4	-4
Other costs included above not requiring funds.....	-4	-5	-6
Total program costs funded.....	902	1,013	1,180
Change in selected resources ¹	41	20	20
10 Total obligations.....	943	1,033	1,200
Financing:			
21 Unobligated balance available, start of year.....	-103	-134	-201
24 Unobligated balance available, end of year.....	134	201	201
60 Budget authority (appropriation).....	974	1,100	1,200
Relation of obligations to outlays:			
71 Obligations incurred, net.....	943	1,033	1,200
72 Obligated balance, start of year.....	115	138	190
74 Obligated balance, end of year.....	-138	-190	-190
90 Outlays.....	920	981	1,200

¹ Selected resources as of June 30 are as follows: 1967, \$26 thousand; 1968, \$67 thousand; 1969, \$87 thousand; 1970, \$107 thousand.

Miscellaneous contributed funds received from States, local organizations, individuals and others are available for work under cooperative agreements (68 Stat. 1227 and 41 Stat. 270).

Object Classification (in thousands of dollars)			
Identification code 05-20-8200-0-7-999	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	573	645	725
11.3 Positions other than permanent.....	49	56	65
11.5 Other personnel compensation.....	1	-----	-----
Total personnel compensation.....	623	701	790
12.1 Personnel benefits: Civilian employees.....	52	55	65
21.0 Travel and transportation of persons.....	40	42	54
22.0 Transportation of things.....	5	6	6
23.0 Rent, communications, and utilities.....	10	12	15
24.0 Printing and reproduction.....	40	40	50
25.0 Other services.....	69	70	85
26.0 Supplies and materials.....	11	12	15
41.0 Grants, subsidies, and contributions.....	58	60	75
44.0 Refunds.....	35	35	45
99.0 Total obligations.....	943	1,033	1,200

Personnel Summary			
Total number of permanent positions.....	68	74	80
Full-time equivalent of other positions.....	11	12	14
Average number of all employees.....	75	82	89
Average GS grade.....	7.9	8.0	8.1
Average GS salary.....	\$8,805	\$9,363	\$9,422

ECONOMIC RESEARCH SERVICE			
Federal Funds			
General and special funds:			
SALARIES AND EXPENSES			
For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; [\$12,789,000] \$13,562,000: <i>Provided</i> , That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: <i>Provided further</i> , That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: <i>Provided further</i> , That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 411, 1761-1768, 2201, 2202; 42 U.S.C. 1891-1893; Department of Agriculture and Related Agencies Appropriation Act, 1969.)			
Program and Financing (in thousands of dollars)			
Identification code 05-24-1700-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Farm economics.....	5,718	6,342	6,517
2. Marketing economics.....	2,989	3,428	3,428

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-24-1700-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities—Continued			
3. Domestic and foreign economic analysis.....	3,190	3,617	3,617
Total program costs funded ¹	11,897	13,387	13,562
Change in selected resources ²	667	-----	-----
10 Total obligations.....	12,564	13,387	13,562
Financing:			
25 Unobligated balance lapsing.....	225	-----	-----
Budget authority.....	12,789	13,387	13,562
Budget authority:			
40 Appropriation.....	12,421	12,789	13,562
41 Transferred to other accounts.....	-----	-86	-----
42 Transferred from other accounts.....	368	-----	-----
43 Appropriation (adjusted).....	12,789	12,703	13,562
44.20 Proposed supplemental for civilian pay act increases.....	-----	684	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	12,564	13,387	13,562
72 Obligated balance, start of year.....	2,483	1,662	1,822
74 Obligated balance, end of year.....	-1,662	-1,822	-1,954
77 Adjustments in expired accounts.....	-147	-----	-----
90 Outlays, excluding pay increase supplemental.....	13,238	12,570	13,403
91.20 Outlays from civilian pay act supplemental.....	-----	657	27

¹ Includes capital outlay as follows: 1968, \$77 thousand; 1969, \$77 thousand; 1970, \$77 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders 1967, \$927 thousand (1967 adjustments, -\$147 thousand); 1968, \$1,449 thousand; 1969, \$1,449 thousand; 1970, \$1,449 thousand.

Agricultural economics research in the Department is administered by the Economic Research Service. The results of the research program are relied upon by (a) producers, dealers, importers and exporters as aids in planning the most profitable adjustments in their operations, (b) Government agencies in formulating and administering agricultural programs, and (c) Congress in considering agricultural legislation.

1. *Farm economics.*—Research is conducted to measure, appraise, and analyze on a continuing basis, economic changes that occur in farming and in the use of human and natural rural resources and to indicate needed adjustments.

Research on the economics of farm production includes the economics of organization and management of farms; adjustments in production to prospective demands, and changing technologies; appraisals of costs and returns on farms representative of important types, sizes and locations, and the appraisal of costs of producing important commodities; development of measures of farm output and productivity; problems of farm size and capital requirements; financing of farm enterprises; and appraisal of alternative agricultural production policies and programs.

Natural resources economics is concerned with the economics of use, conservation, development, management, and control of natural resources and their relationship to economic activity. It includes economic analysis of land

and water resources, resource institutions, and the economic and social conditions affecting use of resources.

Economic development is focused upon the well-being and opportunities of rural people. It includes a broad research program on economic development of rural areas, opportunities and employment of rural people and factors affecting them, including local governments and other organizations. Special attention is given to the poor who are found in heavy concentrations among rural people.

The increase requested in 1970 would permit development of economic indicators of change in the rural economy.

2. *Marketing economics.*—This activity covers economic aspects of marketing farm products, including the nature of farmers' bargaining power; potentials for new products and new uses; market structure, costs and margins; the economic effects of school feeding programs, food stamp, and direct food distribution programs.

3. *Domestic and foreign economic analysis.*—Domestic economic analysis is concerned with identifying, measuring, and analyzing: (1) the factors affecting demand, supply, and price of agricultural commodities; (2) relationships between agriculture and the national economy; (3) farm income and the income of the farm population; (4) demand and consumption of farm products; (5) long-term projections of economic growth and demand for farm products; and (6) historical developments in the policies, programs, and organization of the Department.

Foreign economic analysis includes trade studies and investigation of supply-demand relationships. The trade and market studies focus on the problems of developing foreign markets and the effect of these developments on U.S. agricultural production. Research is carried on for more than 100 countries around the world, focusing on the forces affecting supply, demand, and trade in farm products, and their impact on U.S. agricultural exports.

Object Classification (in thousands of dollars)

Identification code 05-24-1700-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	9,061	10,203	10,300
11.3 Positions other than permanent.....	162	109	109
11.5 Other personnel compensation.....	4	4	4
Total personnel compensation.....	9,227	10,316	10,413
12.1 Personnel benefits: Civilian employees.....	726	774	781
21.0 Travel and transportation of persons.....	277	287	290
22.0 Transportation of things.....	29	41	42
23.0 Rent, communications, and utilities.....	300	280	281
24.0 Printing and reproduction.....	200	218	219
25.0 Other services.....	1,671	1,385	1,448
26.0 Supplies and materials.....	46	55	56
31.0 Equipment.....	78	31	32
42.0 Insurance claims and indemnities.....	10	-----	-----
99.0 Total obligations.....	12,564	13,387	13,562

Personnel Summary

Total number of permanent positions.....	972	978	989
Full time equivalent of other positions.....	43	45	45
Average number of all employees.....	905	908	918
Average GS grade.....	9.2	9.5	9.5
Average GS salary.....	\$10,334	\$11,384	\$11,552
Average salary of ungraded positions.....	\$8,385	\$6,448	\$6,448

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows:

Agriculture:

Soil Conservation Service:

 "Watershed Planning."

 "Works of Improvement."

 "Flood Prevention."

 "Resource Conservation and Development."

 "Great Plains Conservation Program."

 "River Basin Surveys and Investigations."

Farmers Home Administration:

 "Rural Renewal."

 "Salaries and expenses."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-24-3917-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Economic research:			
(a) Agriculture.....	143	139	139
(b) Other agencies.....	917	627	627
2. Agency for International Development (Funds appropriated to the President).....	959	1,100	1,100
10 Total program costs, funded—obligations.....	2,019	1,866	1,866
Financing:			
11 Receipts and reimbursements from:			
Federal funds.....	-2,019	-1,866	-1,866
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
90 Outlays.....			

Object Classification (in thousands of dollars)

Personnel compensation:			
11.1 Permanent positions.....	1,292	1,295	1,310
11.3 Positions other than permanent.....	63	73	73
11.5 Other personnel compensation.....	15	18	18
Total personnel compensation.....	1,370	1,386	1,401
12.1 Personnel benefits: Civilian employees.....	106	104	99
21.0 Travel and transportation of persons.....	80	56	50
22.0 Transportation of things.....	9	24	21
23.0 Rent, communications, and utilities.....	27	28	28
24.0 Printing and reproduction.....	14	28	28
25.0 Other services.....	404	234	234
26.0 Supplies and materials.....	9	6	5
99.0 Total obligations.....	2,019	1,866	1,866

Personnel Summary

Total number of permanent positions.....	125	118	118
Full-time equivalent of other positions.....	8	7	7
Average number of all employees.....	123	106	106
Average GS grade.....	9.2	9.5	9.5
Average GS salary.....	\$10,334	\$11,384	\$11,552

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-24-8200-0-7-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Miscellaneous contributed funds (program costs, funded).....	31	100	35
Change in selected resources ¹		-65	
10 Total obligations.....	31	35	35
Financing:			
60 Budget authority (appropriation).....	31	35	35
Relation of obligations to outlays:			
71 Obligations incurred, net.....	31	35	35
72 Obligated balance, start of year.....	65	65	70
74 Obligated balance, end of year.....	-65	-70	-70
90 Outlays.....	31	30	35

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$65 thousand; 1968, \$65 thousand; 1969, \$0; 1970, \$0.

Miscellaneous funds received from States, local organizations, and others are available for economic research and analysis under cooperative agreements (7 U.S.C. 450b and 450h).

Object Classification (in thousands of dollars)

Identification code 05-24-8200-0-7-355	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	25	31	31
12.1 Personnel benefits: Civilian employees.....	2	2	2
21.0 Travel and transportation of persons.....	3		
25.0 Other services.....		2	2
99.0 Total obligations.....	31	35	35

Personnel Summary

Total number of permanent positions.....	3	3	3
Average number of all employees.....	2	2	2
Average GS grade.....	9.2	9.5	9.5
Average GS salary.....	\$10,334	\$11,384	\$11,552

STATISTICAL REPORTING SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$14,326,000]** **\$15,055,000: Provided,** That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 471, 475, 501, 951, 953, 955-957, 2201-2202, 2248; 42 U.S.C. 1891-1893; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-28-1800-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Crop and livestock estimates.....	13,046	14,184	14,324
2. Statistical research and service.....	572	659	731
Total program costs funded ¹	13,618	14,843	15,055
Change in selected resources ²	586		
10 Total obligations.....	14,204	14,843	15,055
Financing:			
25 Unobligated balance lapsing.....	34		
Budget authority.....	14,238	14,843	15,055
Budget authority:			
40 Appropriation.....	13,830	14,326	15,055
41 Transferred to other accounts.....	-11	-10	
42 Transferred from other accounts.....	419		
43 Appropriation (adjusted).....	14,238	14,316	15,055
44.20 Proposed supplemental for civilian pay act increases.....		527	
Relation of obligations to outlays:			
71 Obligations incurred, net.....	14,204	14,843	15,055
72 Obligated balance, start of year.....	1,463	928	1,005
74 Obligated balance, end of year.....	-928	-1,005	-1,030
77 Adjustments in expired accounts.....	-72		
90 Outlays, excluding pay increase supplemental.....	14,667	14,260	15,009
91.20 Outlays from civilian pay act supplemental.....		506	21

¹ Includes capital outlay as follows: 1968, \$573 thousand; 1969, \$150 thousand; 1970, \$150 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$242 thousand (1968 adjustment -\$72 thousand); 1968, \$756 thousand; 1969, \$756 thousand; 1970, \$756 thousand.

The Service administers programs relating to crop and livestock estimates and statistical research and service. The statistical and economic data developed on food and agriculture are essential to farmers, processors, and handlers in making production and marketing decisions, and to legislators, administrators, and others concerned with developing and administering agricultural programs. The basic data provided by this service are also essential to economic analysis and other agricultural research programs.

1. *Crop and livestock estimates.*—This service provides the official estimates on this Nation's agriculture, including acreage, yield, and production of crops, stocks, and value of farm commodities, numbers, and inventory value of livestock items. Data collected and published on prices paid and received by farmers are basic to computation of parity prices. Data on approximately 150 crop and livestock products are covered in some 700 reports issued each year. The activity is conducted through 44 State offices serving 50 States, most of which are operated as joint State and Federal services. Cooperative arrangements with State agencies provide a considerable volume of

additional State and county data which would not be collected or made available from Federal funds. During 1968, cooperating States expended an estimated \$2.8 million of their own funds on these associated State programs. A comparison of activity data for 1967 and 1968, including work performed under cooperative arrangements is as follows:

	1967 actual	1968 preliminary
Separate mailings of inquiry forms, average per field office.....	414	428
Total questionnaires handled:		
Number distributed.....	9,240,000	8,980,000
Number of returns tabulated.....	2,800,000	2,700,000
Number of objective survey contacts (measurements and interviews).....	232,000	240,000
Number of official reports issued, all offices.....	10,500	10,500
Copies of reports distributed.....	16,300,000	16,290,000
Publications distributed.....	3,570,000	3,470,000
Special requests for information answered by field offices.....	77,200	74,100

The increase for 1970 provides for quarterly probability surveys for estimated farm stocks of grains in 12 north-central States.

2. *Statistical research and service.*—This work includes review of all statistical forms, survey plans, and reporting and recordkeeping requirements originating in the Department and requiring Bureau of the Budget approval; liaison for coordination of statistics within the Department and with other statistical agencies; development of new and improved methods and techniques, and providing technical consulting services to other agencies of the Department; research on and development of sampling, forecasting, and other basic statistical techniques and methods to improve the crop and livestock estimates of the Department; use of and consultation on automatic data processing to develop and adopt this medium for improving the accuracy and timeliness of crop and livestock estimates; and conduct of special surveys relating to the marketing of agricultural products. A comparison of activity data for 1967 and 1968 is as follows:

Statistical forms-reports (Federal Reports Act): Departmental clearance and review for submission to Bureau of the Budget.....	1967 actual	1968 actual
	451	475
Improvement of crop and livestock estimating methods: Number of research projects.....	7	7
Special surveys: Number of research projects.....	10	10

The 1970 budget reflects an increase to improve the crop and livestock estimates of the Department.

Object Classification (in thousands of dollars)

Identification code 05-28-1800-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	8,504	8,913	9,052
11.3 Positions other than permanent.....	1,194	1,174	1,243
11.5 Other personnel compensation.....	120	102	102
Total personnel compensation.....	9,818	10,189	10,397
12.1 Personnel benefits: Civilian employees.....	796	822	838
21.0 Travel and transportation of persons.....	952	955	1,001
22.0 Transportation of things.....	97	47	43
23.0 Rent, communications, and utilities.....	1,259	1,629	1,622
24.0 Printing and reproduction.....	357	395	392
25.0 Other services.....	462	434	401
26.0 Supplies and materials.....	176	184	173
31.0 Equipment.....	287	188	188
99.0 Total obligations.....	14,204	14,843	15,055

Personnel Summary

Total number of permanent positions	1, 198	1, 187	1, 194
Full-time equivalent of other positions	242	223	235
Average number of all employees	1, 292	1, 269	1, 288
Average GS grade	7.1	7.2	7.2
Average GS salary	\$8, 211	\$8, 866	\$8, 932

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-28-3918-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Statistical and tabulating services:			
Agriculture	2, 154	2, 409	2, 409
Other agencies	738	652	652
2. Agency for International Development (Funds appropriated to the President)	216	213	213
Total program costs, funded ¹	3, 108	3, 274	3, 274
Change in selected resources ²	-4		
10 Total obligations	3, 104	3, 274	3, 274
Financing:			
Receipts and reimbursements from:			
11 Federal funds	-3, 048	-3, 236	-3, 236
14 Non-Federal sources ³	-56	-38	-38
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net			
90 Outlays			

¹ Includes capital outlay as follows: 1968, \$14 thousand; 1969, \$0; 1970, \$0.
² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$0 (1968 adjustments, \$4 thousand); 1968, \$0; 1969, \$0; 1970, \$0.
³ Reimbursements from non-Federal sources are derived from the sale of personal property being replaced (40 U.S.C. 481(c)), and from cooperating State departments of agriculture (7 U.S.C. 1624).

Object Classification (in thousands of dollars)

Identification code 05-28-3918-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions	1, 735	1, 865	1, 865
11.3 Positions other than permanent	78	52	52
11.5 Other personnel compensation	20	97	97
Total personnel compensation	1, 833	2, 014	2, 014
12.1 Personnel benefits: Civilian employees	144	145	145
21.0 Travel and transportation of persons	85	57	57
22.0 Transportation of things	13	7	7
23.0 Rent, communications, and utilities	554	677	677
24.0 Printing and reproduction	56	15	15
25.0 Other services	350	286	286
26.0 Supplies and materials	52	58	58
31.0 Equipment	17	15	15
99.0 Total obligations	3, 104	3, 274	3, 274

Personnel Summary

Total number of permanent positions	200	208	208
Full-time equivalent of other positions	16	6	6
Average number of all employees	232	197	197
Average GS grade	7.1	7.2	7.2
Average GS salary	\$8, 211	\$8, 866	\$8, 932

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-28-8200-0-7-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Miscellaneous contributed funds (program costs, funded)	5	12	7
Change in selected resources ¹	4		
10 Total obligations	9	12	7
Financing:			
21 Unobligated balance available, start of year		-5	
24 Unobligated balance available, end of year	5		
60 Budget authority (appropriation)	14	7	7
Relation of obligations to outlays:			
71 Obligations incurred, net	9	12	7
72 Obligated balance, start of year	40	4	7
74 Obligated balance, end of year	-4	-7	-7
90 Outlays	45	9	7

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$0; 1968, \$4 thousand; 1969, \$0; 1970, \$0.

Miscellaneous funds received from States, local organizations, and others are available for crop and livestock survey work under cooperative agreements (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code 05-28-8200-0-7-355	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions	8	10	6
12.1 Personnel benefits: Civilian employees	1	2	1
99.0 Total obligations	9	12	7

Personnel Summary

Total number of permanent positions	1	1	1
Average number of all employees	1	1	1
Average GS grade	7.1	7.2	7.2
Average GS salary	\$8, 211	\$8, 866	\$8, 932

CONSUMER AND MARKETING SERVICE

Federal Funds

General and special funds:

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY PROGRAMS

For expenses necessary to carry on services related to consumer protection, agricultural marketing and distribution, and regulatory programs, other than Packers and Stockyards Act, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946; \$116,264,500, of which \$13,440,250 shall be placed in reserve to be released only after the inspection activities of this service have been fully coordinated and placed on an efficient and economical operating basis \$142,254,200: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. [2225] 2250) for the alteration and repair of buildings and improvements, but, unless

General and special funds—Continued

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
PROGRAMS—Continued

otherwise provided, the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater. (7 U.S.C. 51-65, 71-87, 91-99, 241-273, 394, 396, 414a, 415b-d, 423, 440, 450, 450b, 471-476, 501-508, 511-511g, 516-517, 581-590, 591-599, 1551-1610, 1621-1627, 1901-1906, 2101-2118, 2201-2202, 2220, 2248, 2259; 15 U.S.C. 714-714p; 21 U.S.C. 95, 98, 451-469, 601-611, 615-624, 641-645, 661, 671-680; 26 U.S.C. 4817, 4851-4854, 4861-4865, 4871-4877, 6001, 6804, 7233, 7235(c), 7263, 7492-7493, 7701; 31 U.S.C. 725a, 725d; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-32-2500-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Direct program:			
1. Market news service.....	6,671	7,074	6,872
2. Inspection, grading, classing, and standardization:			
(a) Meat inspection.....	48,864	69,813	88,883
(b) Poultry inspection.....	21,229	25,587	30,469
(c) All other.....	14,671	14,069	13,619
3. Regulatory activities.....	4,415	4,841	4,882
4. Administration and coordination of State payments.....	100	103	103
Total direct program costs, funded ¹	95,950	121,487	144,828
Change in selected resources ²	148	-----	-----
Total direct obligations.....	96,097	121,487	144,828
Reimbursable program:			
2. Inspection, grading, classing, and standardization (obligations) ³	-----	1,100	1,100
10 Total obligations.....	96,097	122,587	145,928
Financing:			
Receipts and reimbursements from:			
Federal funds:			
11 Limitation on administrative expenses, Commodity Credit Corporation.....	-2,231	-2,364	-2,364
Commodity Credit Corporation funds for:			
Grading and classing agricultural commodities.....	-----	-1,100	-1,100
Warehouse examination.....	-177	-210	-210
22 Unobligated balance transferred from other accounts.....	-2,833	-----	-----
25 Unobligated balance lapsing.....	1,770	-----	-----
Budget authority.....	92,626	118,913	142,254
Budget authority:			
40 Appropriation.....	89,310	116,264	142,254
41 Transferred to other accounts.....	-34	-248	-----
42 Transferred from other accounts.....	3,350	-----	-----
43 Appropriation (adjusted).....	92,626	116,016	142,254
44.20 Proposed supplemental for civilian pay act increases.....	-----	2,897	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	93,689	118,913	142,254
72 Obligated balance, start of year.....	3,933	4,391	4,448
74 Obligated balance, end of year.....	-4,391	-4,448	-4,824
77 Adjustments in expired accounts.....	-209	-----	-----
90 Outlays, excluding pay increase supplemental.....	93,022	116,103	141,734
91.20 Outlays from civilian pay act supplemental.....	-----	2,753	144

¹ Includes capital outlay as follows: 1968, \$491 thousand; 1969, \$505 thousand; 1970, \$433 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$287 thousand (1968 adjustments, -\$205 thousand); 1968, \$230 thousand; 1969, \$230 thousand; 1970, \$230 thousand.

³ Includes capital outlay as follows: 1968, \$0; 1969, \$1 thousand; 1970, \$1 thousand.

These activities provide consumer protection through inspection for wholesomeness of meat and poultry products. They assist producers and handlers of agricultural commodities through various marketing and regulatory services. These services continue to expand and become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the market structure undergoes dramatic changes. These marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The individual activities include:

1. *Market news service.*—This service provides current information on supply, movement, and prices at specific markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 140 cities and towns, often with local and other support and cooperation, generally from State departments of agriculture. Dissemination is made primarily by radio, television, and mimeographed reports. The volume of work performed is indicated by examples given in the following table:

MARKET NEWS SERVICE

States covered by cooperative agreement.....	1966 actual	1967 actual	1968 actual
Field offices:	42	42	43
Year-round.....	180	177	179
Seasonal.....	37	39	42
Buyers and sellers interviewed.....	20,516	20,597	17,997
Mimeographed releases to growers, shippers, and others.....	20,954,139	21,492,489	21,176,021
Names on mailing list.....	188,707	193,893	205,483

2. *Inspection, grading, classing, and standardization.*—(a) *Meat inspection.*—Federal meat inspection is required for all meat and meat products moving in interstate and foreign commerce to assure a clean and wholesome meat supply for human consumption, free from adulteration, and truthfully labeled. The work includes inspection of animals, carcasses, meat, and meat-food products at various stages of handling and processing. Measures are enforced to assure informative labeling, and that meats imported or exported are inspected. The Federal program also provides financial and technical assistance to States for improving the quality of their inspection programs.

The estimates for 1970 include increases to provide for inspection of additional plants and expanded facilities in presently inspected plants, and for the Wholesome Meat Act of 1967, including financial assistance to States.

The volume of inspections and examinations is indicated by examples given in the following table:

MEAT INSPECTION

	1967 actual	1968 actual	1969 estimate	1970 estimate
Number of establishments covered.....	1,973	2,860	3,469	3,554
Cities in which plants are located.....	820	1,052	1,255	1,281
Post mortem inspection (thousands).....	112,896	111,163	114,586	117,847
Animals and carcasses condemned (thousands).....	269	268	276	288
Inspection of processed meat and meat-food products (million pounds).....	38,239	44,520	45,200	46,100
Number of States cooperating under Wholesome Meat Act.....	-----	18	31	50

(b) *Poultry inspection.*—Inspection of poultry meat and poultry meat products for wholesomeness is provided pur-

suant to the Poultry Products Inspection Act of 1957, as amended. All poultry processed in plants shipping in interstate or foreign commerce is required to be inspected both before and after slaughter. Birds found to be unfit for human consumption are condemned and removed from channels of trade. The Federal program also provides financial and technical assistance to States for improving the quality of their inspection programs.

The increase for 1970 provides for inspection of an anticipated increased volume of poultry and poultry products and for the Wholesome Poultry Products Act of 1968, including financial assistance to States. The volume of work performed is indicated by examples given in the following table:

POULTRY INSPECTION

	1968 actual	1969 estimate	1970 estimate
Billion pounds to be inspected.....	19.6	20.9	23.2
Plants under inspection June 30.....	917	935	953
Operating lines under inspection June 30..	1,603	1,683	1,763
Number of States cooperating under Wholesome Poultry Products Act.....	-----	-----	29

(c) *All other (inspection, grading, classing, and standardization).*—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. Approximately 78% of the total cost of this work was offset by fees and other revenue in 1968.

Legislation is being proposed to repeal the Naval Stores and Wool Standards Acts resulting in a reduction of \$87 thousand in appropriated funds for 1970. The volume of work performed is indicated by examples given in the following tables:

STANDARDIZATION ACTIVITIES

	1966 actual	1967 actual	1968 actual
Grade standards in effect.....	549	550	567
Number of commodities covered.....	315	315	316

INSPECTION, GRADING, AND CLASSING ACTIVITIES UNDER APPROPRIATED FUNDS

	1968 actual	1969 estimate	1970 estimate
Cotton classing by Federal employees (samples).....	16,999,134	15,000,000	16,000,000
Grain inspections by licensees.....	2,838,655	3,105,000	3,105,000
Volume inspected (thousand tons)....	198,260	198,120	200,000
Tobacco auction markets.....	175	175	175
Volume inspected at markets (million pounds).....	1,962	1,865	1,900
Sets of buyers.....	236	236	236

3. *Regulatory activities.*—These include the administration of regulatory laws such as the U.S. Warehouse and Federal Seed Acts to assure fair play in the marketplace, to protect producers and handlers of agricultural commodities from financial loss due to careless or fraudulent marketing practices, and preserve free and open competition in the marketing of farm products. Assistance is also provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies. The Cotton Research and Promotion Act is designed to improve the competitive position and expand markets for cotton through a program of self-assessment by cotton producers.

The increase for 1970 is for additional work on transportation services in connection with rate structures for shipments of agricultural commodities. Legislation is being proposed to repeal the Naval Stores Act and the Tobacco Seed and Plant Exportation Act resulting in a total reduction of \$26 thousand for 1970.

The volume of work performed is indicated by examples given in the following table:

REGULATORY ACTIVITIES

	1968 actual	1969 estimate	1970 estimate
Warehouse Act:			
Number of licensed warehouses.....	1,843	1,900	1,940
Capacity of licensed warehouses:			
Grain (million bushels).....	1,588	1,650	1,700
Cotton (million bales).....	15.7	15.9	16.0
Average number supervisory inspections per warehouse:			
Grain.....	1.7	2.2	2.2
Cotton.....	2.4	2.2	2.2
Seed Act:			
Import actions.....	7,593	7,500	7,500
Interstate investigations:			
Completed.....	691	1,000	1,250
Pending.....	947	900	650
Seed samples tested.....	11,562	11,800	11,900
Transportation services:			
Formal litigation.....	43	35	40
Informal negotiations.....	40	45	50

4. *Administration and coordination of State payments.*—This project covers Federal activity required in administering and coordinating the marketing service work performed by the States and financed jointly by State funds and Federal funds provided by the appropriation, Payments to States and Possessions. In 1968 this work was carried on in 44 States and 171 work projects.

Object Classification (in thousands of dollars)

Identification code 05-32-2500-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	69,225	80,178	81,334
11.3 Positions other than permanent....	6,265	6,904	7,903
11.5 Other personnel compensation.....	1,157	917	917
11.8 Special personal service payments....	-----	2	2
Total personnel compensation.....	76,646	88,001	90,156
Direct obligations:			
Personnel compensation.....	76,646	87,157	89,312
12.1 Personnel benefits: Civilian employees..	6,231	7,092	7,277
13.0 Benefits for former personnel.....	3	3	3
21.0 Travel and transportation of persons..	5,176	6,162	6,402
22.0 Transportation of things.....	621	618	619
23.0 Rent, communications, and utilities....	2,851	2,802	2,763
24.0 Printing and reproduction.....	404	442	445
25.0 Other services.....	1,995	2,702	2,754
26.0 Supplies and materials.....	726	767	774
31.0 Equipment.....	310	673	578
41.0 Grants, subsidies, and contributions....	1,096	13,060	33,892
42.0 Insurance claims and indemnities.....	38	9	9
Total direct obligations.....	96,097	121,487	144,828
Reimbursable obligations:			
Total personnel compensation.....	-----	844	844
12.1 Personnel benefits: Civilian employees..	-----	54	54
21.0 Travel and transportation of persons..	-----	89	89
22.0 Transportation of things.....	-----	32	32
23.0 Rent, communications, and utilities....	-----	43	43
24.0 Printing and reproduction.....	-----	4	4
25.0 Other services.....	-----	2	2
26.0 Supplies and materials.....	-----	15	15
31.0 Equipment.....	-----	17	17
Total reimbursable obligations.....	-----	1,100	1,100
99.0 Total obligations.....	96,097	122,587	145,928

General and special funds—Continued

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY
PROGRAMS—Continued

Personnel Summary

	1968 actual	1969 est.	1970 est.
Total number of permanent positions.....	8,777	9,510	9,757
Full-time equivalent of other positions.....	980	1,036	1,150
Average number of all employees.....	9,191	9,878	10,142
Average GS grade.....	8.0	8.0	8.0
Average GS salary.....	\$8,505	\$9,048	\$9,007

Proposed for separate transmittal, existing legislation:

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY PROGRAMS

Program and Financing (in thousands of dollars)

Identification code 05-32-2500-1-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
2. Inspection, grading, classing, and standardization:			
(a) Meat inspection.....		—350	-----
(b) Poultry inspection.....		1,350	-----
10 Total obligations (costs).....		1,000	-----
Financing:			
40 Budget authority (proposed supplemental appropriation).....		1,000	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....		1,000	-----
90 Outlays.....		1,000	-----

The supplemental appropriation will provide \$1,000 thousand for development of cooperative Federal-State inspection programs as authorized by the Wholesome Poultry Products Act of 1968, Public Law 90-492. An additional \$350 thousand will be needed and it is proposed that it be transferred from the meat inspection program. The merger of the meat and poultry inspection programs has resulted in savings of \$350 thousand which are available for this transfer.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), **[\$1,750,000] \$1,600,000.** (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-32-2501-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Payment for marketing service work (sec. 204(b) of the Agricultural Marketing Act of 1946) (costs—obligations) (object class 41.0).....	1,750	1,600	1,600
Financing:			
25 Unobligated balance lapsing.....		150	-----
40 Budget authority (appropriation)....	1,750	1,750	1,600
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,750	1,600	1,600
90 Outlays.....	1,750	1,600	1,600

Payments are made on a matching fund basis to State marketing agencies for carrying out specifically approved marketing service programs designed to bring about improved marketing. Under this activity marketing specialists work with farmers, marketing firms, and agencies in solving marketing problems and in putting to use marketing research results.

This program covers such projects as methods of maintaining and improving the quality of products, ways of reducing marketing costs, expanding outlets for surplus products, collecting and disseminating special State and local market information and statistics, and improving the organizational structure of the marketing system. Through this cooperative approach, the Federal Government's leadership and money are coupled with State resources and experience to aid in the solution of the most urgent local and area marketing problems.

STATE PAYMENTS ACTIVITY

Activity	1967 actual	1968 actual	1969 estimate
Number of States participating.....	44	44	44
Number of projects.....	171	171	163

[SPECIAL MILK PROGRAM]

[For necessary expenses to carry out the Special Milk Program, as authorized by the Child Nutrition Act of 1966 (42 U.S.C. 1772), \$104,000,000, to be transferred from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).] (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-32-5205-0-2-653	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Cash payments to States.....	102,451	103,314	-----
2. Operating expenses.....	641	681	-----
Total program costs, funded ¹	103,092	103,995	-----
Change in selected resources ²	—5	-----	-----
10 Total obligations.....	103,087	103,995	-----
Financing:			
25 Unobligated balance lapsing.....	913	-----	-----
Budget authority.....	104,000	103,995	-----
Budget authority:			
61 Transferred to other accounts.....	-----	—5	-----
62 Transferred from other accounts.....	104,000	104,000	-----
63 Appropriation (adjusted) (special fund).....	104,000	103,995	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	103,087	103,995	-----
72 Obligated balance, start of year.....	15,936	14,371	14,771
74 Obligated balance, end of year.....	—14,371	—14,771	-----
77 Adjustments in expired accounts.....	—922	-----	-----
90 Outlays.....	103,730	103,595	14,771

¹ Includes capital outlay as follows: 1968, \$1 thousand; 1969, \$2 thousand; 1970, \$2 thousand; excludes downward adjustment of \$922 thousand in prior year costs.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$7 thousand; 1968, \$2 thousand; 1969, \$2 thousand; 1970, \$2 thousand.

1. *Cash payments to States.*—This program is designed to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, child-care centers, summer camps, and similar nonprofit institutions. The program will be terminated at the end of fiscal year 1969 as new programs for feeding complete

meals to schoolchildren are greatly expanded. Most of these meals will include milk.

Funds are provided under letters of credit to State agencies to reimburse eligible participants for a part of the cost of the fluid milk consumed. Based upon available funds, and prior year participation, initial reserves were established for each State for reimbursement payments through fiscal year 1967. Beginning in fiscal year 1968, available funds are apportioned among the States on the basis of payments made to schools and child-care institutions for program reimbursement during the preceding fiscal year.

In especially needy schools, reimbursement payments are being made for the full cost of this milk for children who are unable to pay. In fiscal year 1970, funds will be made available under section 32 to finance milk to needy children in schools without lunch facilities.

The school lunch, child nutrition, and special food service programs, and additional section 32 funds aid in financing all child feeding. These programs are directed at providing complete meals and food supplements, including milk. Expansion of these programs proposed in 1970 will result in increased milk consumption with the additional meals to be served. This eliminates the necessity for a separate special milk program appropriation. It is proposed to terminate the special milk program as a separate program at the end of fiscal year 1969, and confine any milk-only assistance that is necessary in schools without lunch facilities to a partial year in 1970 until arrangements can be made for serving lunches.

Program activities from 1967 through 1969 are as follows:

	1967 actual	1968 actual	1969 estimate
Outlet participation.....	95,139	94,422	94,500
Half-pints of milk reimbursed (millions)...	3,027.2	2,987.5	3,000.0
Average reimbursement rate per half pint (cents).....	3.26	3.43	3.44

2. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating schools, and child-care institutions. Policies, procedures, and standards are developed for administering the program and determining eligibility. The program is administered directly in some 8 thousand outlets where no State agency has assumed the responsibility for its administration, or is prohibited by law from disbursing funds to such participants.

Object Classification (in thousands of dollars)

Identification code 05-32-5205-0-2-653	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	501	562	-----
11.3 Positions other than permanent.....	6	1	-----
11.5 Other personnel compensation.....	3	1	-----
Total personnel compensation.....	509	564	-----
12.1 Personnel benefits: Civilian employees.....	39	44	-----
21.0 Travel and transportation of persons.....	36	34	-----
22.0 Transportation of things.....	1	1	-----
23.0 Rent, communications, and utilities.....	32	25	-----
24.0 Printing and reproduction.....	7	4	-----
25.0 Other services.....	9	5	-----
26.0 Supplies and materials.....	2	2	-----
31.0 Equipment.....	1	2	-----
41.0 Grants, subsidies, and contributions.....	102,451	103,314	-----
99.0 Total obligations.....	103,087	103,995	-----

Personnel Summary

Total number of permanent positions.....	68	68	-----
Full-time equivalent of other positions.....	2	0	-----
Average number of all employees.....	65	65	-----
Average GS grade.....	8.0	8.0	-----
Average GS salary.....	\$8,505	\$9,048	-----

【SCHOOL LUNCH PROGRAM】 CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760) 1761) and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785), [\$178,474,000] \$303,141,000, of which \$188,641,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That of the foregoing total amount there shall be available [including \$10,000,000] \$90,000,000 for special assistance to needy schools, [\$3,500,000] \$10,000,000 for the [pilot] school breakfast program, [\$750,000] \$10,000,000 for the nonfood assistance program, \$750,000 for State administrative expenses, and \$20,500,000 for special food service programs for children to remain available until September 30 of the next succeeding fiscal year: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-32-2539-0-1-653	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Cash payments to States:			
(a) School lunch program.....	154,938	162,041	168,041
(b) Special assistance.....	4,844	10,000	90,000
(c) School breakfast program.....	2,079	3,500	10,000
(d) Nonfood assistance program.....	744	750	10,000
(e) State administrative expenses.....	-----	750	750
(f) Nonschool food program.....	-----	5,750	20,500
2. Commodity procurement.....	55,647	64,325	64,325
3. Operating expenses.....	2,002	2,661	3,850
Total program costs, funded ¹	220,253	249,777	367,466
Change in selected resources ²	-48	-----	-----
10 Total obligations.....	220,205	249,777	367,466
Financing:			
21 Unobligated balance available, start of year.....	-----	-----	-3,000
24 Unobligated balance available, end of year.....	-----	3,000	3,000
25 Unobligated balance lapsing.....	2,692	-----	-----
Budget authority.....	222,897	252,777	367,466
Budget authority:			
Current:			
40 Appropriation.....	182,825	188,474	114,500
41 Transferred to other accounts.....	-4,928	-22	-----
43 Appropriation (adjusted).....	177,897	188,452	114,500
Permanent:			
62 Transferred from other accounts.....	45,000	64,325	252,966
63 Appropriation (adjusted) (special fund).....	45,000	64,325	252,966

¹ Includes capital outlay as follows: 1968, \$35 thousand; 1969, \$45 thousand; 1970, \$45 thousand; excludes downward adjustment of \$248 thousand in prior year costs.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Unpaid undelivered orders.....	46	19	19	19
Advances.....	172	151	151	151
Total selected resources.....	218	170	170	170

General and special funds—Continued

[SCHOOL LUNCH PROGRAM] CHILD NUTRITION PROGRAMS—Con.

Program and Financing (in thousands of dollars)—Continued

Identification code 05-32-2539-0-1-653	1968 actual	1969 est.	1970 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....	220,205	249,777	367,466
72 Obligated balance, start of year.....	22,035	25,133	28,635
74 Obligated balance, end of year.....	-25,133	-28,635	-28,635
77 Adjustments in expired accounts.....	-248	-----	-----
90 Outlays.....	216,860	246,275	367,466

The primary objective of the child nutrition programs is to make the best possible nutrition available to every child, regardless of the economic condition of the child's family or the local district. Special emphasis is directed toward reaching needy children in low-income areas in schools, child-care centers, settlement houses, recreation centers, and similar nonprofit institutions devoted to the care and training of children. These programs also contribute to a second major objective, to increase farm income by expanding agricultural markets.

These programs are authorized by the National School Lunch Act, as amended, and the Child Nutrition Act of 1966, as amended.

1. *Cash payments to States.*—The programs are operated under an agreement entered into by the State educational agency and the Department of Agriculture. Funds are advanced under letters of credit to State agencies for use in reimbursing participating schools and child-care institutions. Sponsors make application to the State agency and if accepted are reimbursed in accordance with the terms of their agreement.

(a) *School lunch program.*—Food assistance, in the form of both funds and food, is provided to the States, as defined in the National School Lunch Act, in serving lunches to schoolchildren. Each State's portion of the funds available is determined by a statutory formula. The formula takes into account the participation rate in the State, and the relationship between the per capita income of the State and the average U.S. per capita income. States must match the Federal cash grant from sources within the State at a \$3-to-\$1 ratio, except for States with below-average per capita income the ratio is decreased.

In 1968, the States contributed to this program over \$1,428 million, most of which came from children's payments. This was far in excess of the statutory matching requirement of \$3 for each Federal dollar of cash payment.

The program during the peak month in 1968 provided lunches to about 36.7% of the approximately 51.2 million schoolchildren in the country. The number of lunches served increased approximately 1.6% over 1967. Participation in the program in December 1967 reached 18.8 million children in 71,983 schools and an appreciable increase is expected in 1969 and 1970.

(b) *Special assistance.*—Section 11 of the National School Lunch Act provides for special assistance to schools drawing attendance from needy families for serving free or reduced-price lunches. The legislation carries carefully prescribed criteria as to the eligibility of these schools, and also a special formula for the apportionment of these funds among the States.

In fiscal year 1968, about 800 schools were designated to serve lunches at special assistance rates. About 185 thousand children in these schools were served 37 million

lunches. The goal for 1970 is to provide lunches for every needy child in the country by year end.

(c) *School breakfast program.*—The Child Nutrition Act of 1966 authorized a school breakfast program for 2 years on a pilot basis to assist States through grants-in-aid and other means to initiate, maintain, or expand non-profit breakfast programs in schools. Public Law 90-302, approved May 8, 1968, extended the breakfast program through 1971.

Funds are apportioned to States by a statutory formula. While the basic payments are limited to food assistance, in circumstances of severe need financial assistance may be authorized up to 80% of the operating costs. Applicant schools must provide justification of the need for additional assistance.

The program is operated in schools drawing attendance from areas in which poor economic conditions exist and where a substantial portion of the children enrolled travel long distances. In fiscal year 1968, programs operated in schools in 47 States, the District of Columbia, and Puerto Rico.

About 70% of the breakfasts were served free or at token charges to children.

By the end of fiscal year 1969, it is estimated that the program will be operating in some 1,500 schools with about 200 thousand children participating.

(d) *Nonfood assistance program.*—The Child Nutrition Act of 1966 authorized a permanent program to assist the States through grants-in-aid and other means to supply schools in low-income areas with food service equipment, other than land or buildings.

Applicant schools are required to justify their need for assistance on a project basis, and to submit a detailed description of the equipment to be acquired and their proposals for its use in meeting the nutritional needs of children. In addition, State and local sources must bear 25% of the cost of equipment or facilities financed under this authority.

In fiscal year 1968 about 755 schools in 49 States, the District of Columbia, Guam, and American Samoa, serving meals to some 191,488 children received equipment assistance of about \$744 thousand. In 126 of these schools, no food service had been available prior to receiving equipment funds.

In order to provide nutritious meals, many schools in the country must be provided funds for equipment. In 1969, the funds provided will reach about 500 schools. The increase for 1970 would be sufficient to provide equipment for 1,000 schools at an average contribution of \$10 thousand a school.

(e) *State administrative expenses.*—The Child Nutrition Act of 1966, as amended, provides for advances to each State educational agency for administrative expenses. These funds are to be used for supervising and giving technical assistance to the local school districts and service institutions for the administration of additional activities undertaken by them to extend the school lunch special assistance, school breakfast, nonfood assistance programs, and the nonschool food program to reach more needy children.

(f) *Nonschool food program.*—The National School Lunch Act was amended in 1968 to authorize a pilot program for 3 years to assist States through grants-in-aid and other means, to initiate, maintain, or expand non-profit food service programs for children in service institutions. These programs will reach pre-school and school-age children during the summer months in settlement

houses, neighborhood houses, and recreation centers, and provide year-round assistance in child day-care centers.

Each State may receive a basic grant of not more than \$50 thousand. The remaining funds will be apportioned by a formula to be determined by the ratio of the number of children aged 3 to 17, inclusive, from families with income under \$3 thousand per year in each State, compared to the total number of such children in all States. Up to 80% of the total cost of meals served may be paid in cases of severe need, and not more than 75% of the equipment costs may be paid to the institutions. All meals served must meet minimum nutritional standards as a condition for receiving assistance. This new program is being initiated in 1969.

2. *Commodity procurement.*—Commodity procurement under section 6 of the National School Lunch Act provides additional commodities to schools to supplement foods purchased locally for the lunch program. Section 6 procurement helps to insure nutritionally adequate lunches and appreciation for quality foods. It also broadens agricultural markets. Commodities are purchased by the Department on the basis of their nutritional value and acceptability to schools.

Protein items of chicken and meat accounted for two-thirds of the purchases in fiscal year 1968. The remaining one-third was fruits and vegetables. In fiscal year 1969 frozen ground pork, chicken, and fruits and vegetables are being purchased. Section 6 procurement is being financed with funds transferred from section 32, Removal of Surplus Agricultural Commodities.

Commodities acquired under price support and surplus removal programs are available to schools and child-care institutions. The volume of surplus commodities distributed depends upon market conditions.

During 1968 about \$1,161 million worth of agricultural commodities and other foods were used. About 24% of this amount represented commodities contributed under section 6 and the Federal surplus removal and price support programs. Over 76% was purchased through local suppliers.

3. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating schools and child-care institutions. Policies, procedures, and standards are developed for administering the programs and determining eligibility. The programs are administered directly in private schools where the State educational agency is prohibited by law from disbursing funds and in child-care institutions where no State agency has assumed the responsibility for administering the program.

Participation in the programs from 1967 through 1970 are as follows:

CASH PAYMENTS TO STATES

	1967 actual	1968 preliminary	1969 estimate	1970 estimate
(a) School lunch program:				
Number of schools.....	72,334	71,184	71,750	72,000
Number of children (thousands)....	18,323	18,615	19,000	19,800
Number of lunches served (millions).....	3,131.5	3,181.0	3,370.0	3,500.9
(b) Special assistance:				
Number of schools.....	610	799	1,600	7,000
Number of children (thousands)....	133	185	400	2,500
Number of lunches served (millions).....	15.5	37.0	50.0	392.0
(c) School breakfast program:				
Number of schools.....	752	1,250	1,500	3,000
Number of children (thousands)....	80	165	200	370
Number of breakfasts served (millions).....	4.1	16.0	25.0	66.7

(d) Nonfood assistance program: Num- ber of schools equipped.....	586	755	500	1,000
(f) Nonschool food program: Number of children (thousands)....			80	140

FINANCING OF PROGRAMS

[In millions of dollars]

	1967 actual	1968 actual	1969 estimate	1970 estimate
State and local contributions (Total, in- cluding payments by children).....	1,325.5	1,428.4	1,549.0	1,640.0
Federal financing:				
1. Cash payments to States:				
(a) School lunch program.....	147.7	154.9	162.0	168.0
(b) Special assistance.....	2.0	4.8	10.0	90.0
(c) School breakfast program.....	.6	2.1	3.5	10.0
(d) Nonfood assistance program....	.7	.7	.8	10.0
(e) State administrative expenses.....			.8	.8
(f) Nonschool food program.....			5.8	20.5
2. Commodity procurement (sec. 6)....	57.9	55.5	64.3	64.3
3. Surplus commodity distribution.....	130.4	220.5	224.2	236.0
Federal contributions.....	339.3	438.5	471.4	599.6
Total, all contributions.....	1,664.8	1,866.9	2,020.4	2,239.6

In addition to these funds, \$44 million was provided in fiscal year 1969 under Section 32 to meet the urgent need for providing food service to additional needy children.

Object Classification (in thousands of dollars)

Identification code 05-32-2539-0-1-653	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	1,295	1,816	2,598
11.3 Positions other than permanent....	21	2	3
11.5 Other personnel compensation.....	3	8	13
Total personnel compensation....	1,319	1,826	2,614
12.1 Personnel benefits: Civilian employees..	100	142	204
21.0 Travel and transportation of persons..	115	128	189
22.0 Transportation of things.....	6	12	18
23.0 Rent, communications, and utilities....	92	54	110
24.0 Printing and reproduction.....	20	62	89
25.0 Other services.....	299	363	518
26.0 Supplies and materials.....	20	21	30
Grants of commodities to States.....	55,625	64,325	64,325
31.0 Equipment.....	4	53	78
41.0 Grants, subsidies, and contributions....	162,605	182,791	299,291
99.0 Total obligations.....	220,205	249,777	367,466

Personnel Summary

Total number of permanent positions.....	181	221	321
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	143	199	285
Average GS grade.....	8.0	8.0	8.0
Average GS salary.....	\$8,505	\$9,048	\$9,007

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, \$225,000,000, of which \$25,000,000 shall be placed in reserve to be used only to the extent required during the current fiscal year after various corrections are made in the handling of the program: *Provided*, That not to exceed \$1,000,000 of this appropriation shall be available for the payment of obligations incurred under the appropriation for similar purposes for the preceding fiscal year \$340,000,000.

For an additional amount for "Food stamp program", \$55,000,000: *Provided*, That additional expenditures resulting from amounts provided in this paragraph shall be fully offset by sale of notes held by the Commodity Credit Corporation or other assets of the Department of Agriculture to prevent further expenditure reductions against existing programs pursuant to the Revenue and Expenditure Control Act of 1968. (7 U.S.C. 2011-2025; 82 Stat. 958; Department of Agriculture and Related Agencies Appropriation Act, 1969; Supplemental Appropriation Act, 1969.)

General and special funds—Continued

FOOD STAMP PROGRAM—Continued

Program and Financing (in thousands of dollars)

Identification code 05-32-2505-0-1-653	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Program costs.....	177,267	267,908	326,150
2. Operating expenses.....	8,263	12,000	13,850
Total program costs, funded ¹	185,531	279,908	340,000
Change in selected resources ²	-865	-----	-----
10 Total obligations.....	184,666	279,908	340,000
Financing:			
25 Unobligated balance lapsing.....	279	-----	-----
Budget authority.....	184,945	279,908	340,000
Budget authority:			
40 Appropriation.....	161,800	280,000	340,000
41 Transferred to other accounts.....	-55	-92	-----
43 Appropriation (adjusted).....	161,745	279,908	340,000
50 Reappropriation.....	23,200	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	184,666	279,908	340,000
72 Obligated balance, start of year.....	3,916	3,732	10,732
74 Obligated balance, end of year.....	-3,732	-10,732	-12,732
77 Adjustments in expired accounts.....	-123	-----	-----
90 Outlays.....	184,727	272,908	338,000

¹ Includes capital outlay as follows: 1968, \$86 thousand; 1969, \$100 thousand; 1970, \$100 thousand; excludes downward adjustment of \$123 thousand in prior year costs.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$1,069 thousand; 1968, \$204 thousand; 1969, \$204 thousand; 1970, \$204 thousand.

This program aims at providing increased nutrition to households with limited resources and, thus, at making more effective use of our food abundance. Food coupons which may be used in retail stores for the purchase of commercial brand foods are issued to needy households that qualify to participate. The program is inaugurated at the request of State welfare agencies and these agencies are responsible for certification and coupons issuance functions.

The Department determines the allotment of coupons for each household unit, including the portion to be purchased, based on income, food needs, and other factors. The participant's normal food expenditure is maintained by the purchase requirement. The supplement or bonus coupons, provided free of charge, permit the family to upgrade its diet.

Coupons are issued by a non-Federal issuing office. Cash paid for the coupons by participants is deposited periodically in a designated Federal depository. Food stores receive cash or credit for the coupons from any commercial bank, which must accept them at face value. The coupons then flow through regular banking channels to the Federal Reserve banks where they are redeemed.

The Food Stamp Act of 1964 was amended on October 8, 1968, to provide appropriation authority of \$315 million for fiscal year 1969, \$340 million for fiscal 1970, and \$170 million for the first 6 months of fiscal 1971.

The \$280 million appropriated for 1969 will finance expansion into new areas and some program modifications. Recent evaluations and reviews have indicated the need to reduce the amount of cash required of recipients, and

the total amount of coupons issued per participant is not high enough to cover the full cost of a low cost adequate diet. Planned program improvements for the lowest income families would lower the participants' cash requirement level and in addition provide an increase in the total coupons issued. It is anticipated that a participation level of about 3.6 million would be reached by June 30, 1969. An increase of \$60 million will be needed in 1970 to cover the full-year costs of the June 30, 1969 level plus expansion into new areas in 1970.

The following table reflects coverage, participation, and costs for fiscal years 1962 (the first full year of operation of the pilot program) and 1968, and estimates for 1969 and 1970 (dollars in millions):

	1962 actual	1968 actual	1969 estimate	1970 estimate
Number of areas by yearend.....	8	1,027	1,553	1,653
Number of participants at yearend.....	140,736	2,411,891	3,630,000	3,950,000
Total value coupons issued.....	\$35.2	\$451.8	\$641.0	\$797.0
Amount paid by participants (for deposit to redemption account).....	\$22.0	\$278.7	\$385.0	\$486.0
Value of bonus (free) coupons issued.....	\$13.2	\$173.1	\$256.0	\$311.0
Federal costs:				
Program.....	\$13.4	\$178.9	\$267.9	\$326.1
Administrative.....	\$0.7	\$8.3	\$12.0	\$13.9

Object Classification (in thousands of dollars)

Identification code 05-32-2505-0-1-653	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	6,070	8,951	10,415
11.3 Positions other than permanent.....	176	60	62
11.5 Other personnel compensation.....	31	45	48
Total personnel compensation.....	6,277	9,056	10,525
12.1 Personnel benefits: Civilian employees.....	506	706	821
21.0 Travel and transportation of persons.....	604	950	970
22.0 Transportation of things.....	55	114	140
23.0 Rent, communications, and utilities.....	428	613	800
24.0 Printing and reproduction.....	1,476	4,397	5,000
25.0 Other services.....	236	396	504
26.0 Supplies and materials.....	81	97	110
31.0 Equipment.....	97	129	130
41.0 Grants, subsidies, and contributions.....	174,906	263,450	321,000
99.0 Total obligations.....	184,666	279,908	340,000

Personnel Summary

Total number of permanent positions.....	987	1,228	1,534
Full-time equivalent of other positions.....	46	14	14
Average number of all employees.....	886	1,148	1,334
Average GS grade.....	8.0	8.0	8.0
Average GS salary.....	\$8,505	\$9,048	\$9,007

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of the Interior as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than **[\$2,950,000]** **\$2,900,000** for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) *in addition to other amounts provided in this Act*, not more than **[\$45,000,000]** **\$50,000,000** (including not to exceed **[\$1,000,000]** **\$2,000,000** for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of

direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly, or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: *Provided*, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability; and (c) *milk for needy children in schools without a food program.* (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-32-5209-0-2-351	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Commodity program payments:			
(a) Direct purchases.....	149,686	227,080	310,925
(b) Diversion payments.....	7,676		
(c) Export payments.....	3		
2. Special feeding programs.....	-----	44,941	50,000
3. Surplus removal operating expenses.....	3,874	6,896	7,389
4. Marketing agreements and orders.....	2,328	2,750	2,900
5. Food and nutrition aids program.....	-----	10,000	15,000
Total program costs, funded ¹	163,567	291,667	386,214
Change in selected resources ²	12,082	-----	-----
10 Total obligations.....	175,649	291,667	386,214
Financing:			
17 Recovery of prior year obligations.....	-20	-----	-----
21 Unobligated balance available, start of year.....	-300,000	-300,000	-300,000
22 Unobligated balance transferred from other accounts.....	-317	-----	-----
24 Unobligated balance available, end of year.....	300,000	300,000	300,000
25 Unobligated balance lapsing.....	229,039	111,124	-----
Budget authority.....	404,351	402,791	386,214
Budget authority:			
60 Appropriation (permanent, indefinite, special fund).....	578,912	596,646	665,000
61 Transferred to other accounts.....	-174,561	-193,855	-278,786
63 Appropriation (adjusted).....	404,351	402,791	386,214
Relation of obligations to outlays:			
71 Obligations incurred, net.....	175,629	291,667	386,214
72 Obligated balance, start of year.....	45,232	46,129	45,637
74 Obligated balance, end of year.....	-46,129	-45,637	-45,637
90 Outlays.....	174,732	292,159	386,214

¹ Includes capital outlay as follows: 1968, \$33 thousand; 1969, \$90 thousand; 1970, \$98 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Stores.....	14,919	-----	12,326	12,326	12,326
Unpaid undelivered orders.....	44,609	-20	45,889	45,889	45,889
Advances.....	12,066	-----	25,441	25,441	25,441
Total selected resources	71,594	-20	83,656	83,656	83,656

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 % of customs receipts collected during each calendar year (except for an amount equal to 30 % of such receipts collected on fishery products transferred to the Department of the Interior to encourage the distribution of fishery products), plus unused balances up to \$300 million are available for expanding domestic and foreign market outlets for farm commodities. As provided in recent appropriation acts, transfers have been made from this fund primarily to the school lunch program for the purchase and distribution of agricultural commodities and the special milk program to cover the full or partial cost of milk served to

schoolchildren. Section 32 funds are also authorized for the administration of marketing agreements and orders. The basic legislation provides that funds devoted to any one commodity or product thereof must not exceed 25 % of funds available. It also provides that the funds must be devoted principally to perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended. It has been determined that this provision can be legally satisfied by setting aside or reserving the principal portion of section 32 funds for the use of perishable nonbasic agricultural commodities.

1. *Commodity program payments* are of four types: (a) *Direct purchases* are donated to schools, summer camps, child-care centers, nonprofit institutions serving needy persons, persons certified by welfare as eligible for relief, and disaster victims; (b) *Diversion payments* enable processors to purchase surplus commodities on the domestic market, divert them to byproducts and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities; (c) *Export payments* enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices; (d) *Production payments*, none of which were made in 1968, help to reestablish farmers' purchasing power. During the past 2 years, assistance under these programs was given to the following commodity groups (in millions of dollars):

OBLIGATIONS	1967	1968
Dairy products.....	-----	9.1
Eggs and poultry.....	4.3	44.6
Fats and oils.....	25.8	9.6
Fruits and vegetables.....	38.0	24.7
Grains.....	5.3	10.6
Livestock products.....	93.9	58.0
Peanut butter.....	6.4	10.9
Miscellaneous.....	.5	1.8
Total.....	174.2	169.3

The use of section 32 program funds is contingent upon marketing conditions. The estimates for both 1969 and 1970 reflect the foreseeable needs for perishables and other activities regularly financed with section 32 funds. If troublesome surpluses not now foreseen should develop, steps will be taken to use additional available funds for their removal or diversion as conditions might warrant.

Funds are being used to develop and implement a cost-sharing program whereby financial assistance is offered to selected low-income counties to enable those with inadequate resources to distribute food to needy families. The Department provides for the certification and distribution of food to needy families in selected counties where local governmental agencies are unwilling or unable to operate food distribution programs. Additional cost-sharing arrangements are proposed in 1969 to improve existing programs which are locally financed.

The Department purchased six additional items—a fortified milk drink, evaporated milk, fruit juices, canned vegetables, canned chicken, and corn syrup—for distribution in 1968 to needy persons, and other items are being considered in 1969. With the addition of these products, the foods in the commodity donation program will provide over three-fourths of the daily requirement of each of the eight basic nutritional elements.

Working with the Department of Health, Education, and Welfare and the Office of Economic Opportunity, the

General and special funds—Continued

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES
(SECTION 32)—Continued

Department is developing a distribution system to provide special food packages for infants, young children, and expectant and new mothers.

2. The *special feeding program* was initiated in 1969 to meet the urgent need for providing additional foods to needy children and adults who are determined to be suffering from general and continued hunger. The funds provided will be channeled primarily through the child feeding programs authorized by the School Lunch and Child Nutrition Acts. Funds are included in the 1970 request to finance a milk program for needy children in schools without food services.

3. *Surplus removal operating expenses* occur mainly in connection with purchasing, diverting, and exporting surplus commodities, and in distributing section 32 and Commodity Credit Corporation commodities to eligible outlets. Distribution in 1968, including that under section 6 of the National School Lunch Act, is summarized below (in millions):

Distribution	Number of recipients (peak month)	Value of commodities distributed	Pounds of commodities distributed
By recipients:			
Schoolchildren.....	21.1	\$276.1	1,026.8
Needy persons.....	3.5	124.0	723.2
Persons in charitable institutions.....	1.2	23.3	148.1
Total.....		423.4	1,898.1
By program:			
Sec. 32.....		150.7	529.9
Donation by Commodity Credit Corporation, Sec. 416.....		217.0	1,138.7
Sec. 6, National School Lunch Act.....		55.7	229.5
Total.....		423.4	1,898.1

In cooperation with the food trade, press, and radio, greater consumption of abundant foods is encouraged through publication of a monthly plentiful foods list and conducting various food drives. In 1968 the monthly plentiful foods list contained an average of six foods. Seven national and ten area, State, and local drives were conducted.

4. *Marketing agreements and orders* are put into effect upon request of producers or handlers after hearings and investigations, and upon approval of producers (and handlers in the case of marketing agreements). They help to stabilize prices, and benefit producers and consumers by establishing and maintaining orderly marketing conditions. Administration at the local level is financed by assessment upon handlers. On June 30, 1968, there were in effect 73 orders for milk, 47 agreements and orders for tree fruits, nuts, and vegetables, and one order for shade grown tobacco. The expenses of advisory committees established to advise the Secretary, public hearings, referenda to determine producer sentiment, and other developmental work as authorized by the Agricultural Act of 1961 are also financed under this project. Legislation will be requested for payment of approximately \$3 million of the Federal administrative costs of this program by producers and handlers.

5. The *food and nutrition aids program* was initiated in December 1968 for educational work among low income groups to achieve more effective utilization of surplus agricultural commodities. The funds provided will be distributed by the Federal Extension Service to the State extension services to employ the home-maker aides who

in turn will work directly with the low income people to use information, knowledge and skills to enable them to utilize all resources toward the achievement of a nutritionally adequate diet.

Object Classification (in thousands of dollars)

Identification code 05-32-5209-0-2-351	1968 actual	1969 est.	1970 est.
CONSUMER AND MARKETING SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	4,252	5,366	5,720
11.3 Positions other than permanent.....	86	1,345	1,345
11.5 Other personnel compensation.....	10	22	25
Total personnel compensation.....	4,348	6,733	7,090
12.1 Personnel benefits: Civilian employees.....	330	526	554
21.0 Travel and transportation of persons.....	224	403	440
22.0 Transportation of things.....	14	28	32
23.0 Rent, communications, and utilities.....	267	380	410
24.0 Printing and reproduction.....	106	151	165
25.0 Other services.....	906	1,248	1,413
26.0 Supplies and materials.....	32	69	75
Grants of commodities to States.....	160,076	213,427	298,543
31.0 Equipment.....	37	108	110
41.0 Grants, subsidies, and contributions.....	9,309	58,594	62,382
Total obligations, Consumer and Marketing Service.....	175,649	281,667	371,214
FEDERAL EXTENSION SERVICE			
11.1 Personnel compensation: Permanent positions.....		89	182
12.1 Personnel benefits: Civilian employees.....		35	14
21.0 Travel and transportation of persons.....		12	30
22.0 Transportation of things.....		16	6
23.0 Rent, communications, and utilities.....		14	11
24.0 Printing and reproduction.....		23	200
25.0 Other services.....		200	150
26.0 Supplies and materials.....		1	3
31.0 Equipment.....		10	4
41.0 Grants, subsidies, and contributions.....		9,600	14,400
Total obligations, Federal Extension Service.....		10,000	15,000
99.0 Total obligations.....	175,649	291,667	386,214

Personnel Summary

CONSUMER AND MARKETING SERVICE			
Total number of permanent positions.....	558	566	606
Full-time equivalent of other positions.....	17	263	263
Average number of all employees.....	468	795	839
Average GS grade.....	8.0	8.0	8.0
Average GS salary.....	\$8,505	\$9,048	\$9,007
FEDERAL EXTENSION SERVICE			
Total number of permanent positions.....		14	14
Average number of all employees.....		7	14
Average GS grade.....		10.6	10.6
Average GS salary.....		\$12,752	\$13,086

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Program and Financing (in thousands of dollars)

Identification code 05-32-5070-0-2-355	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Licensing dealers and handling complaints (costs—obligations) ¹	883	1,020	1,059

Financing:

21	Unobligated balance available, start of year	—369	—361	—273
24	Unobligated balance available, end of year	361	273	202
60	Budget authority (appropriation) (permanent, indefinite, special fund)-----	875	932	988
Relation of obligations to outlays:				
71	Obligations incurred, net-----	883	1,020	1,059
72	Obligated balance, start of year-----	49	52	94
74	Obligated balance, end of year-----	—52	—94	—96
90	Outlays -----	880	978	1,057

¹ Includes capital outlay as follows: 1968, \$8 thousand; 1969, \$6 thousand; 1970, \$6 thousand.

License fees are deposited in this special fund and are used to meet costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). The law provides that annual license fees may be set at a maximum of \$50. Effective January 1, 1969, the fee was increased from \$42 to \$50.

The acts are intended to assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and (c) suspension or revocation of license and/or publication of the facts.

Legislation authorizing an increase in license fees is being proposed.

WORKLOAD FACTORS

Activity	1967 actual	1968 actual	1969 estimate
Number of reparation actions-----	13,358	12,942	12,942
Number of disciplinary actions-----	313	331	331
Number of misbranding actions-----	3,166	3,652	3,652
Number of license actions-----	23,666	21,955	21,955

Object Classification (in thousands of dollars)

Identification code 05-32-5070-0-2-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions-----	714	812	836
11.3 Positions other than permanent----	6	7	7
11.5 Other personnel compensation-----	1	1	1
Total personnel compensation -----	720	820	844
12.1 Personnel benefits: Civilian employees--	59	68	70
21.0 Travel and transportation of persons--	37	46	56
22.0 Transportation of things-----	3	3	3
23.0 Rent, communications, and utilities----	39	46	46
24.0 Printing and reproduction-----	9	13	13
25.0 Other services-----	6	8	11
26.0 Supplies and materials-----	7	10	10
31.0 Equipment-----	3	6	6
99.0 Total obligations -----	883	1,020	1,059

Personnel Summary

Total number of permanent positions-----	97	98	98
Full-time equivalent of other positions-----	1	2	2
Average number of all employees-----	90	93	96
Average GS grade-----	8.0	8.0	8.0
Average GS salary-----	\$8,505	\$9,048	\$9,007

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-32-3925-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Market news service:			
Department of Agriculture-----	140	115	115
State agencies under cooperative agreement-----	237	238	238
2. Inspection, grading, classing, and standardization:			
Department of Agriculture-----	744	728	728
Other Federal agencies-----	19	16	16
Non-Federal sources-----	15,335	14,826	15,276
3. Agency for International Development (funds appropriated to the President)-----	99	131	128
4. Miscellaneous services to other accounts-----	47	19	19
10 Total program costs, funded—obligations ¹ -----	16,621	16,073	16,520
Financing:			
Receipts and reimbursements from:			
11 Federal funds-----	—1,043	—2,105	—2,101
14 Non-Federal sources ² -----	—15,594	—13,992	—14,483
21 Unobligated balance available, start of year-----	—384	—400	—424
24 Unobligated balance available, end of year-----	400	424	488
Budget authority -----			
Relation of obligations to outlays:			
71 Obligations incurred, net-----	—16	—24	—64
72 Receivables in excess of obligations, start of year-----	—384	—400	—424
74 Receivables in excess of obligations, end of year-----	400	424	488
90 Outlays -----			

¹ Includes capital outlay as follows: 1968, \$0; 1969, \$3 thousand; 1970, \$3 thousand.

² Reimbursements from non-Federal sources above include amounts from co-operating universities and State, county, local, and private agricultural agencies (41 Stat. 270; 68 Stat. 1237); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U.S.C. 511e); from sale of photographic slides (7 U.S.C. 1387) and personal property (40 U.S.C. 481(c)); for overtime work and travel performed at meatpacking establishments; for overtime and holiday work performed at poultry processing plants and in connection with appeal inspections on grain (21 U.S.C. 468; 7 U.S.C. 78); refund of terminal leave payments (5 U.S.C. 61b); from jury fees (5 U.S.C. 30p); and from importers in connection with reconditioning seed (7 U.S.C. 1582(a)).

Object Classification (in thousands of dollars)

Identification code 05-32-3925-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions-----	3,170	3,097	3,442
11.3 Positions other than permanent----	283	262	262
11.5 Other personnel compensation-----	12,094	10,999	10,999
Total personnel compensation -----	15,548	14,358	14,703
12.1 Personnel benefits: Civilian employees--	251	227	255
21.0 Travel and transportation of persons--	345	386	410
22.0 Transportation of things-----	59	55	65
23.0 Rent, communications, and utilities----	129	181	195
24.0 Printing and reproduction-----	40	65	68
25.0 Other services-----	212	696	710
26.0 Supplies and materials-----	24	71	74
31.0 Equipment-----	10	33	39
42.0 Insurance claims and indemnities-----	3	1	1
99.0 Total obligations -----	16,621	16,073	16,520

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS—Continued

Personnel Summary

	1967 actual	1968 actual	1969 est.	1970 est.
Total number of permanent positions.....		386	432	432
Full-time equivalent of other positions.....		33	33	33
Average number of all employees.....		372	394	431
Average GS grade.....		8.0	8.0	8.0
Average GS salary.....		\$8,505	\$9,048	\$9,007

Trust Funds

CONSUMER AND MARKETING SERVICE TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-32-9999-0-7-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Dairy products.....	2,438	2,752	3,081
(b) Fruits and vegetables.....	9,828	10,872	11,454
(c) Meat grading.....	7,588	7,609	8,142
(d) Meat inspection.....	646	532	130
(e) Poultry products.....	6,332	6,710	7,138
(f) Miscellaneous agricultural commodities.....	3,676	3,498	3,722
2. Miscellaneous contributed funds.....	26	50	50
Total program costs, funded ¹	30,536	32,023	33,717
Change in selected resources ²	172		
10 Total obligations.....	30,707	32,023	33,717
Financing:			
17 Recovery of prior year obligations.....	-148		
21 Unobligated balance available, start of year.....	-11,016	-11,102	-11,934
24 Unobligated balance available, end of year.....	11,102	11,934	11,934
60 Budget authority (appropriation).....	30,645	32,855	33,717

Distribution of budget authority by account:

Expenses and refunds, inspection and grading of farm products.....	30,620	32,805	33,667
Miscellaneous contributed funds.....	26	50	50
Relation of obligations to outlays:			
71 Obligations incurred, net.....	30,560	32,023	33,717
72 Obligated balance, start of year.....	1,730	1,770	1,730
74 Obligated balance, end of year.....	-1,770	-1,730	-1,794
90 Outlays.....	30,519	32,063	33,653

Distribution of outlays by account:

Expenses and refunds, inspection and grading of farm products.....	30,490	32,013	33,603
Miscellaneous contributed funds.....	30	50	50

¹ Includes capital outlay as follows: 1968, \$170 thousand; 1969, \$190 thousand; 1970, \$190 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$44 thousand (1968 adjustments, -\$148 thousand); 1968, \$68 thousand; 1969, \$68 thousand; 1970, \$68 thousand.

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for farm products is provided on request. These services are supported primarily by fees paid by users. A limited amount of direct appropriation is available which covers a portion of the public benefit service. The schedules reflect expenses paid from fees received (7 U.S.C. 91-99 (1621-1627)). The volume of work is shown below (in millions):

Commodity	1968 actual	1969 estimate	1970 estimate
Cotton testing, micronaire (pounds).....	4,700	1,100	1,000
Dairy products graded (pounds).....	3,400	3,670	3,900
Fresh fruits and vegetables, graded (pounds).....	50,400	51,915	53,500
Processed fruits and vegetables, graded: Canned products (pounds).....	6,810	8,500	8,500
Frozen, dried, and miscellaneous (pounds).....	4,988	5,480	5,990
Meat and meat products: Graded (pounds).....	16,000	17,285	18,500
Inspected (pounds).....	934	934	934
Poultry products, graded: Shell eggs (pounds).....	2,600	2,750	3,000
Processed eggs (pounds).....	752	846	850
Poultry (pounds).....	6,713	6,824	7,400
Grain and related products, graded (pounds).....	8,340	10,130	10,130

Object Classification (in thousands of dollars)

Identification code 05-32-9999-0-7-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	19,994	19,904	20,210
11.3 Positions other than permanent.....	1,534	2,935	3,934
11.5 Other personnel compensation.....	1,795	1,676	1,755
Total personnel compensation.....	23,324	24,515	25,899
12.1 Personnel benefits: Civilian employees.....	1,797	1,920	2,039
13.0 Benefits for former personnel.....	7	6	6
21.0 Travel and transportation of persons.....	1,870	1,947	2,029
22.0 Transportation of things.....	182	182	191
23.0 Rent, communications, and utilities.....	557	560	582
24.0 Printing and reproduction.....	186	184	193
25.0 Other services.....	2,378	2,240	2,288
26.0 Supplies and materials.....	213	257	268
31.0 Equipment.....	182	212	222
42.0 Insurance claims and indemnities.....	11		
99.0 Total obligations.....	30,707	32,023	33,717

Personnel Summary

Total number of permanent positions.....	2,599	2,628	2,668
Full-time equivalent of other positions.....	265	450	561
Average number of all employees.....	2,688	2,762	2,912
Average GS grade.....	8.0	8.0	8.0
Average GS salary.....	\$8,505	\$9,048	\$9,007

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing ¹ (in thousands of dollars)

Identification code 05-32-8412-0-8-351	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Administration.....	12,395	13,240	13,876
2. Marketing service.....	1,840	1,833	1,826
10 Total obligations.....	14,235	15,073	15,702
Financing:			
14 Receipts and reimbursements from: Non-Federal sources:			
Administration: Revenue.....	-13,047	-13,053	-13,690
Marketing services: Revenue.....	-1,802	-1,799	-1,792
Nonoperating: Interest revenue.....	-308	-307	-307
21 Unobligated balance available, start of year.....	-7,715	-8,637	-8,723
24 Unobligated balance available, end of year.....	8,637	8,723	8,810
Budget authority.....			

Relation of obligations to outlays:

71 Obligations incurred, net.....	-922	-86	-87
72 Obligated balance, start of year.....	1,147	225	236
74 Obligated balance, end of year.....	-225	-236	-248
90 Outlays.....		-97	-99

¹ Administrative fund totals are comprised of 74 separate independent order accounts in fiscal year 1968, including one which has been terminated. The Marketing Service fund totals are comprised of 65 separate independent order accounts in fiscal year 1968, including one which has been terminated.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are responsible for carrying out locally the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

Each milk order is administered locally by a market administrator who is appointed by the Secretary. His staff is employed directly by the market administrator.

The activities conducted in the local office are concerned primarily with monthly computations and public announcement of class and uniform blend prices, associated butterfat differentials, examination of handlers records and facilities to verify their reports and payments to producers, and in checking weights and tests of producer milk.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Consumer and Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers as the case may be.

Milk sold by regulated handlers supplied about 104 million persons in calendar year 1967.

The following table gives an indication of the growing role of Federal orders on the marketing of milk over the past few years.

	Calendar year				
	1963	1964	1965	1966	1967
Population of market areas (millions).....	100.1	99.3	102.4	100.0	103.8
Producer deliveries (billion pounds).....	52.860	54.447	54.444	53.103	54.355
Producer deliveries used in class I (billion pounds).....	32.964	33.965	34.561	34.870	34.408
Number of producers.....	176,477	167,503	158,077	146,090	138,557

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Administrative fund:			
Revenue.....	13,047	13,053	13,690
Expense.....	12,395	13,240	13,876
Net operating income or loss (—), administrative fund.....	652	—187	—186
Marketing service fund:			
Revenue.....	1,802	1,799	1,792
Expense.....	1,840	1,833	1,826
Net operating loss, marketing service fund.....	—38	—34	—34

Nonoperating income: Interest revenue.....	308	307	307
Net income for the year.....	922	86	87
Analysis of retained earnings:			
Retained earnings, start of year.....	7,715	8,637	8,723
Retained earnings, end of year.....	8,637	8,723	8,810

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Cash in banks.....	6,789	7,754	7,830	7,908
U.S. securities (current redemption value).....	2,073	2,119	2,140	2,161
Accounts receivable, net.....	308	405	410	414
Total assets.....	9,170	10,278	10,380	10,483
Liabilities:				
Current.....	1,455	1,641	1,657	1,673
Equity:				
Retained earnings (reserved).....	7,715	8,637	8,723	8,810

Analysis of Government Equity (in thousands of dollars)

Government equity (unobligated balance).....	7,715	8,637	8,723	8,810
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Object Classification (in thousands of dollars)

Identification code 05-32-8412-0-8-351	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	10,037	10,770	11,364
12.1 Personnel benefits: Civilian employees.....	832	874	883
21.0 Travel and transportation of persons.....	937	965	974
23.0 Rent, communications, and utilities.....	1,245	1,246	1,250
25.0 Other services.....	634	652	659
26.0 Supplies and materials.....	375	386	390
31.0 Equipment.....	175	180	182
99.0 Total obligations.....	14,235	15,073	15,702

Personnel Summary ¹

Total number of permanent positions.....	934	960	966
Full-time equivalent of other positions.....	55	57	57
Average number of all employees.....	944	994	1,004
Average salary, grades recommended by Consumer and Marketing Service.....	\$9,085	\$9,767	\$10,494

¹ Excludes New York-New Jersey order operated under Federal and State orders.

FOREIGN AGRICULTURAL SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$21,541,300] \$25,422,000: Provided,** That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: **Provided further,** That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)

Identification code 05-36-2900-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. International trade.....	772	789	789
2. Agricultural attachés.....	5,222	5,300	5,415
3. Export programs.....	15,007	15,949	18,584
4. Commodity programs.....	2,927	3,161	3,280
5. Barter and stockpiling.....	585	722	722
6. General sales management.....	841	983	983
Total program costs, funded ¹	25,354	26,904	29,773
Change in selected resources ²	307	227	878
10 Total obligations.....	25,661	27,131	30,651
Financing:			
11 Receipts and reimbursements from:			
Federal funds:			
"Limitation on administrative ex-			
penses, Commodity Credit Cor-			
poration".....	-1,682	-2,012	-2,012
Commodity Credit Corporation fund	-79	-100	-100
25 Unobligated balance lapsing.....	372		
Budget authority.....	24,272	25,019	28,539
Budget authority:			
Current:			
40 Appropriation.....	22,142	21,541	25,422
41 Transferred to other accounts.....	-987	-1	
43 Appropriation (adjusted).....	21,155	21,540	25,422
46 Proposed transfer from other ac-			
counts for civilian pay act in-			
creases.....		362	
Permanent:			
62 Transferred from other accounts.....	3,117	3,117	3,117
63 Appropriation (adjusted).....	3,117	3,117	3,117
Relation of obligations to outlays:			
71 Obligations incurred, net.....	23,900	25,019	28,539
72 Obligated balance, start of year.....	28,419	27,586	26,822
74 Obligated balance, end of year.....	-27,586	-26,822	-25,460
77 Adjustments in expired accounts.....	-669		
90 Outlays, excluding pay increase sup-			
plementals.....	24,063	25,783	29,901

¹ Includes capital outlay as follows: 1968, \$128 thousand; 1969, \$128 thousand; 1970, \$128 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Unpaid undelivered orders.....	23,113	-626	22,725	22,938	23,769
Advances.....	1,228		1,296	1,310	1,357
Total selected resources	24,341	-626	24,021	24,248	25,126

The Foreign Agricultural Service helps American agriculture to maintain and expand foreign markets for its products and reports foreign developments as a guide to American agricultural production, policies, and programs.

(a) The agency helps to develop foreign markets for U.S. farm products through aggressive market promotion under special export programs and through active work to remove international trade barriers that inhibit export sales.

(b) The agency maintains a worldwide agricultural intelligence and reporting service that enables American agriculture to carry out its production, policies, and pro-

grams in the context of world developments. This is done through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies.

1. *International trade.*—The Service directs and coordinates Department responsibilities in international trade agreement programs and negotiations, utilizing authority of the Trade Expansion Act. It identifies and seeks to reduce foreign barriers to U.S. agricultural exports. It continuously examines and reports on developments in foreign trade policies which affect U.S. agricultural trade and operations and recommends courses of action.

The Service recommends Department positions and participates in negotiations on trade agreements and international commodity agreements. It continuously reviews and reports trade regulations of countries signatory to the General Agreement on Tariffs and Trade as such regulations affect the movement of U.S. farm products in world trade.

It administers a program of import controls in accordance with section 22 of the Agricultural Adjustment Act as amended, and is responsible for administering any import controls established under the beef import control legislation of 1964.

2. *Agricultural attachés.*—The Service maintains agricultural attachés at 60 foreign posts. These attachés assist in the development of markets abroad for U.S. agricultural commodities, working closely with numerous U.S. agricultural trade groups. They maintain continuous contacts with foreign governments in the interest of obtaining more favorable import treatment for American farm products. They carry out a comprehensive schedule of reporting foreign agricultural production, marketing, and trade policy developments as a means of keeping U.S. agriculture, industry, and Government currently informed.

3. *Export programs.*—The Service carries out export programs (a) to expand commercial sales of all U.S. farm products in world markets and (b) under the Public Law 480 program, to sell and ship U.S. farm products to less developed countries under long-term dollar credit sales and under foreign currency sales. About four-fifths of U.S. agricultural exports are commercial sales for dollars. The Service works with over 60 U.S. agricultural producer and trade groups in over 70 countries in carrying out commercial sales promotion programs under cooperative agreements. Such programs are jointly financed. Contributions from the Service come from foreign currencies received in payment for commodities sold under title I of Public Law 480.

Almost one-fifth of U.S. agricultural exports move under Public Law 480 and other Government programs, largely sales for foreign currencies and credit sales for dollars. The Service develops these sales agreements with governments of friendly foreign countries and with private trade entities. The Service is responsible for export shipment of the commodities and for assurance that such commodities actually are received and utilized in the importing countries. Also the Service is responsible for initiating and programing contracts involving the donation of surplus food commodities made available to voluntary and intergovernmental agencies that operate in over 100 countries of the world.

4. *Commodity programs.*—Information essential to domestic planning and to foreign marketing of specific U.S. farm commodities is obtained, analyzed, and made available to U.S. farm and trade groups and to Government.

Foreign agricultural competition similarly is analyzed and reported. Marketing programs, in which producers, exporters, and Government officials participate, are developed to maintain and expand the foreign market for U.S. farm products. Assistance is given to U.S. trade representatives in negotiations with foreign officials. Assistance is given to American exporters and foreign importers to bring them together under conditions favorable to trade.

5. *Barter and stockpiling.*—The Service, in cooperation with other Government agencies, conducts a barter program designed to utilize agricultural commodities, in lieu of dollars, in acquiring from other countries, goods, materials, equipment and services required by other Government agencies and for the national and supplemental stockpiles.

6. *General sales management.*—The Service administers a general sales program to develop export sales and related pricing policies and programs. The program includes price and quality review. Foreign market data such as rates on rail, truck, and ocean freight, together with commodity prices and stocks, and other market information is collected for use in program development. Information concerning prices and other sales terms, sales programs, and commodity availabilities is furnished to U.S. exporters, foreign importers, and foreign government officials.

Object Classification (in thousands of dollars)

Identification code 05-36-2900-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	9,225	9,894	10,258
11.3 Positions other than permanent.....	76	80	80
11.5 Other personnel compensation.....	58	60	60
11.8 Special personal service payments.....	43	50	50
Total personnel compensation.....	9,402	10,084	10,448
12.1 Personnel benefits: Civilian employees.....	930	965	992
21.0 Travel and transportation of persons.....	749	722	832
22.0 Transportation of things.....	257	278	297
23.0 Rent, communications, and utilities.....	691	699	787
24.0 Printing and reproduction.....	225	225	239
25.0 Other services.....	13,180	13,953	16,822
26.0 Supplies and materials.....	83	90	104
31.0 Equipment.....	144	115	119
42.0 Insurance claims and indemnities.....	-----	-----	11
99.0 Total obligations.....	25,661	27,131	30,651

Personnel Summary

Total number of permanent positions.....	956	955	1,006
Full-time equivalent of other positions.....	13	13	13
Average number of all employees.....	895	899	932
Average GS grade.....	9.5	9.5	9.5
Average GS salary.....	\$11,406	\$12,090	\$12,219
Average salary of ungraded positions.....	\$4,324	\$4,540	\$4,767

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollar equivalents)

Identification code 05-36-2901-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Market development projects (program costs, funded).....	748	754	754
Change in selected resources ¹	-127	246	246
10 Total obligations.....	621	1,000	1,000

Financing:

17 Recovery of prior year obligations.....	-170	-----	-----
21 Unobligated balance available, start of year.....	-4,732	-4,281	-3,281
24 Unobligated balance available, end of year.....	4,281	3,281	2,281
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	451	1,000	1,000
72 Obligated balance, start of year.....	4,051	3,782	4,032
74 Obligated balance, end of year.....	-3,782	-4,032	-4,282
90 Outlays.....	720	750	750

¹ Selected resources as of June 30 are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Unpaid undelivered orders.....	3,736	-170	3,515	3,746	3,978
Advances.....	283	-----	207	222	236
Total selected resources	4,019	-170	3,722	3,968	4,214

Market development projects.—Foreign currencies generated by the sale of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as well as foreign currencies acquired by the United States from other sources, are used by the Foreign Agricultural Service to develop new foreign markets and expand existing markets for U.S. agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco.

The type of market development projects being carried out include sales promotion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. In 1970 it is planned that the unobligated balance brought forward in this appropriation will be used to purchase those currencies necessary to carry on the program. Dollar funds for use in other countries are included in the appropriation Salaries and expenses.

Object Classification (in thousands of dollars)

Identification code 05-36-2901-0-1-355	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	48	48	48
12.1 Personnel benefits: Civilian employees.....	2	2	2
21.0 Travel and transportation of persons.....	81	150	150
22.0 Transportation of things.....	3	5	5
23.0 Rent, communications, and utilities.....	33	45	45
24.0 Printing and reproduction.....	4	5	5
25.0 Other services.....	441	733	733
26.0 Supplies and materials.....	5	8	8
31.0 Equipment.....	4	4	4
99.0 Total obligations, Foreign Agricultural Service.....	621	1,000	1,000

Personnel Summary

Total number of permanent positions.....	17	18	18
Average number of all employees.....	19	18	18
Average salary of ungraded positions.....	\$4,324	\$4,540	\$4,767

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Agriculture:
 - "Commodity Credit Corporation fund."
 - "Commodity Credit Corporation: Administrative expenses."
 - "Removal of surplus agricultural commodities."

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-36-3991-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Commodity Credit Corporation representatives for sales, barter, and stockpiling.....	2	2	2
2. Market development projects.....	33	-----	-----
3. AID program.....	176	219	219
4. Miscellaneous service to other accounts.....	40	23	23
10 Total program costs, funded—obligations.....	252	244	244
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-219	-244	-244
14 Non-Federal sources ¹	-33	-----	-----
Budget authority	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----

¹ Reimbursements from non-Federal sources are the proceeds of space rentals and sale of exhibit commodities (5 U.S.C. 577).

Object Classification (in thousands of dollars)

Identification code 05-36-3991-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	187	211	212
11.5 Other personnel compensation.....	2	1	-----
Total personnel compensation.....	189	212	212
12.1 Personnel benefits: Civilian employees.....	15	16	16
21.0 Travel and transportation of persons.....	1	1	1
22.0 Transportation of things.....	2	-----	-----
25.0 Other services.....	41	13	13
31.0 Equipment.....	4	2	2
99.0 Total obligations.....	252	244	244

Personnel Summary

Total number of permanent positions.....	26	25	25
Average number of all employees.....	26	25	25
Average GS grade.....	9.5	9.5	9.5
Average GS salary.....	\$11,406	\$12,090	\$12,219

INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE**Federal Funds****Intragovernmental funds:****ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-38-3913-0-4-152	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Training of foreign participants.....	674	627	650
2. Technical consultation and support service.....	477	392	410
3. Special projects.....	812	951	950
4. Project leaders.....	166	150	150
5. Subsistence for foreign training while in United States.....	3,701	3,790	4,000
10 Total obligations.....	5,830	5,910	6,160

Financing:

11 Receipts and reimbursements from: Federal funds.....	-5,830	-5,910	-6,160
Budget authority	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
72 Obligated balance, start of year.....	45	489	489
74 Obligated balance, end of year.....	-489	-489	-489
90 Outlays.....	-444	-----	-----

The Service administers the Department of Agriculture's responsibilities in the agricultural phases of the foreign development assistance programs. This includes direction of the Department's activities under agreement with AID, particularly in agricultural assistance and training programs for foreign areas as well as participating with AID in the planning of agricultural development policy, in the formulation of self-help agreements with food-aid nations and in the review and evaluation of agricultural assistance efforts. In performing these functions the Service works closely with international and U.S. organizations to utilize the scientific and institutional competence of American agriculture in carrying out such programs. The Service is financed with funds allocated from the Agency for International Development.

Object Classification (in thousands of dollars)

Identification code 05-38-3913-0-4-152	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	1,171	1,190	1,200
11.3 Positions other than permanent.....	74	66	51
11.5 Other personnel compensation.....	30	29	27
11.8 Special personal service payments.....	29	17	18
Total personnel compensation.....	1,304	1,302	1,296
12.1 Personnel benefits: Civilian employees.....	90	91	92
21.0 Travel and transportation of persons.....	219	227	227
22.0 Transportation of things.....	7	8	8
23.0 Rent, communications, and utilities.....	51	44	44
24.0 Printing and reproduction.....	30	27	27
25.0 Other services.....	400	395	442
26.0 Supplies and materials.....	10	10	10
31.0 Equipment.....	18	16	14
41.0 Grants, subsidies, and contributions.....	3,701	3,790	4,000
99.0 Total obligations.....	5,830	5,910	6,160

Personnel Summary

Total number of permanent positions.....	120	110	110
Full-time equivalent of other positions.....	6	8	8
Average number of all employees.....	112	106	106
Average GS grade.....	8.6	9.0	9.0
Average GS salary.....	\$9,536	\$11,475	\$11,991
Average FC grade.....	4.2	4.8	4.8
Average FC salary.....	\$13,700	\$18,424	\$19,253

UNDISTRIBUTED AID PROGRAM IN DEPARTMENT**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

Identification code 05-38-3990-0-4-152	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Anticipated program—undistributed (costs—obligations).....	-----	200	500

Financing:			
11 Receipts and reimbursements from: Federal funds.....	-----	-200	-500
Budget authority	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----

Object Classification (in thousands of dollars)

Identification code 05-38-3990-0-4-152	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	-----	130	325
12.1 Personnel benefits: Civilian employees.....	-----	6	15
21.0 Travel and transportation of persons.....	-----	22	55
22.0 Transportation of things.....	-----	20	50
25.0 Other services.....	-----	22	55
99.0 Total obligations.....	-----	200	500

Personnel Summary

Total number of permanent positions.....	-----	16	32
Average number of all employees.....	-----	6	17
Average GS grade.....	-----	14	14
Average GS salary.....	-----	\$16,946	\$17,126
Average FC grade.....	-----	3.0	3.0
Average FC salary.....	-----	\$19,737	\$19,819

COMMODITY EXCHANGE AUTHORITY**Federal Funds****General and special funds:****SALARIES AND EXPENSES**

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), **[\$1,530,000] \$2,321,000.**

[For an additional amount for "Salaries and expenses", \$300,000.] (Department of Agriculture and Related Agencies Appropriation Act, 1969; Supplemental Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-40-1900-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Licensing and auditing of brokerage houses.....	371	481	594
2. Supervision of futures trading.....	717	886	1,093
3. Investigation.....	426	514	634
Total program costs, funded ¹	1,514	1,881	2,321
Change in selected resources ²	-15	-----	-----
10 Total obligations.....	1,498	1,881	2,321
Financing:			
25 Unobligated balance lapsing.....	57	-----	-----
Budget authority	1,555	1,881	2,321
Budget authority:			
40 Appropriation.....	1,491	1,830	2,321
41 Transferred to other accounts.....	-5	-14	-----
42 Transferred from other accounts.....	69	-----	-----
43 Appropriation (adjusted).....	1,555	1,816	2,321
44.20 Proposed supplemental for civilian pay act increases.....	-----	65	-----

Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,498	1,881	2,321
72 Obligated balance, start of year.....	126	110	122
74 Obligated balance, end of year.....	-110	-122	-161
77 Adjustments in expired accounts.....	2	-----	-----
90 Outlays, excluding pay increase supplemental.....	1,516	1,807	2,279
91.20 Outlays from civilian pay act supplemental.....	-----	62	3

¹ Includes capital outlay as follows: 1968, \$15 thousand; 1969, \$7 thousand; 1970, \$10 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders: 1967, \$44 thousand (1968 adjustments, \$2 thousand); 1968, \$30 thousand; 1969, \$30 thousand; 1970, \$30 thousand.

The major objectives of the Commodity Exchange Authority, in the enforcement of the Commodity Exchange Act, are to protect the pricing and hedging services of the commodity futures markets. These services are widely used by farmers, merchandisers, and processors. To carry out its enforcement objectives, the Commodity Exchange Authority works to maintain fair trading practices and competitive pricing on commodity exchanges, and to prevent price manipulation, cheating, fraud, and abusive acts and practices in commodity transactions. Enforcement of the act includes supervision over 19 commodity exchanges designated as contract markets, approximately 420 brokerage firms registered as futures commission merchants, and about 940 registered floor brokers operating on the exchanges.

On June 18, 1968, Public Law 90-258, the first major amendment to the Commodity Exchange Act in over 30 years, became effective. The principal provisions of this law are: (a) The inclusion of futures trading in livestock and livestock products under regulation for the first time. In 1968, there were 3,273,000 transactions in these markets with an estimated value of over \$15 billion. (b) Permitted for the first time the establishment of minimum financial standards for brokerage firms handling regulated commodity customers' trading. (c) Provided for the first time for the refusal, suspension, or revocation of licenses of brokerage firms and floor brokers if these firms or individuals are found to be unfit for various reasons to engage in the business for which the licenses are sought or have been issued. (d) Increased penalties for certain law violations such as price manipulation and embezzlement. (e) Authorized for the first time the issuance of cease and desist orders in cases where persons have been found guilty of violation of the Act. (f) Extended the fraud provision of the Act to all persons handling customers' orders. (g) Required exchanges to enforce their rules relating to trading and contract terms and authorized the Secretary to disapprove exchange rules which violate or would violate the provisions of the Act or regulations issued thereunder. On July 23, 1968, Public Law 90-418 added still another important commodity to the Commodity Exchange Act—frozen concentrated orange juice.

1. *Licensing and auditing of brokerage houses.*—This consists of (a) prevention of the misuse of customers' funds by the analysis of financial statements of futures commission merchants and the periodic audits of their books and records; and (b) annual registration of futures commission merchants and floor brokers.

AUDITS AND REGISTRATIONS

	1968 actual	1969 estimate	1970 estimate
Audit of customers' segregated funds.....	346	400	480
Accounts examined.....	36,977	40,000	46,000
Financial statements examined.....	450	490	920
Futures commission merchants registered.....	423	440	440
Floor brokers registered.....	941	960	960

General and special funds—Continued

SALARIES AND EXPENSES—Continued

2. *Supervision of futures trading.*—This embraces (a) examination and analysis of reports and other market data, making market position surveys, and publication of reports on market situations; (b) establishment, review, and enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets.

REPORTS TABULATED AND ANALYZED

	1968 actual	1969 estimate	1970 estimate
Daily trading volume and open contracts	195,025	245,000	260,000
Daily and weekly reports on large traders	383,325	500,000	525,000
Delivery notices	59,185	70,000	72,000

3. *Investigation.*—Apparent or alleged violations of the law and regulations are investigated, and trade practice surveys are made to discover violations. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. Exchange rules and regulations are reviewed to insure that legal requirements are met.

INVESTIGATIONS AND PROCEEDINGS

	1968 actual	1969 estimate	1970 estimate
Compliance investigations completed	50	60	65
Trade practice investigations completed	3	2	5
Criminal prosecutions instituted	2	1	1
Administrative proceedings instituted	8	7	8

Object Classification (in thousands of dollars)

Identification code 05-40-1900-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions	1,242	1,550	1,884
11.3 Positions other than permanent	3		
11.5 Other personnel compensation	1	1	1
Total personnel compensation	1,246	1,551	1,885
12.1 Personnel benefits: Civilian employees	98	120	143
21.0 Travel and transportation of persons	25	37	57
22.0 Transportation of things	3	3	4
23.0 Rent, communications, and utilities	50	67	86
24.0 Printing and reproduction	21	36	46
25.0 Other services	19	47	73
26.0 Supplies and materials	10	13	17
31.0 Equipment	27	7	10
99.0 Total obligations	1,498	1,881	2,321

Personnel Summary

Total number of permanent positions	153	164	197
Average number of all employees	136	155	190
Average GS grade	7.8	7.6	7.6
Average GS salary	\$9,125	\$9,547	\$9,333

AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

Federal Funds

General and special funds:

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION
SERVICE

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar

Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); and laws pertaining to the Commodity Credit Corporation, [§141,031,400] \$148,870,000: *Provided*, That, in addition, not to exceed [§62,764,100] \$62,850,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed [§27,205,000] \$27,124,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations. (7 U.S.C. 442-445, 447-449, 608c, 624, 1282, 1421-1433, 1441-1449, 1641-1642, 1691-1697, 1701-1709, 1721-1724, 1731-1736, 1741-1747, 1781-1787, 1838, 1851-1854, 1856, 1857, 1859; 15 U.S.C. 712a, 713a-10, 713a-13, 714-714p; 22 U.S.C. 1922; 31 U.S.C. 841, 846-852, 866-868; 40 U.S.C. App. A203, A401-5; 50 U.S.C. App. 1917; 71 Stat. 290; 76 Stat. 218; 80 Stat. 131, 202, 220; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-44-3300-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Program formulation and appraisal	4,018	4,224	4,226
2. Operation of supply adjustment, conservation, and price support programs	182,078	191,451	193,602
3. Inventory management and merchandising	20,635	21,785	21,487
Total program costs, funded ¹	206,731	217,460	219,315
Change in selected resources ²	61		
10 Total obligations	206,792	217,460	219,315
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Commodity Credit Corporation fund	-58,609	-63,405	-60,645
Other	-4,521	-5,218	-5,780
13 Trust fund accounts	-7		
14 Non-Federal sources ³	-3,340	-4,020	-4,020
22 Unobligated balance transferred from other accounts	-2,396	-1,560	
25 Unobligated balance lapsing	16		
Budget authority	137,935	143,257	148,870
Budget authority:			
40 Appropriation	137,935	141,031	148,870
46 Proposed transfer from other accounts for civilian pay act increases		2,226	
Relation of obligations to outlays:			
71 Obligations incurred, net	140,315	144,817	148,870
72 Obligated balance, start of year	6,544	6,694	6,928
74 Obligated balance, end of year	-6,694	-6,928	-6,862
77 Adjustments in expired accounts	-412		
90 Outlays	139,753	144,583	148,936

¹ Includes capital outlay as follows: 1968, \$258 thousand; 1969, \$258 thousand; 1970, \$258 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Stores	110	132	132	132
Unpaid undelivered orders	1,013	1,052	1,052	1,052
Total selected resources	1,123	1,184	1,184	1,184

³ Reimbursements from non-Federal sources are in large part service charges from producers and receipts from sales of aerial photographs (7 U.S.C. 1387).

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Agricultural Stabilization and Conservation Service. The funds consist of direct appropriation, transfers from the Commodity Credit Corporation, and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of National, commodity, State, and county offices.

The commodity offices and the data processing centers in Kansas City and New Orleans play an important role in administering price support programs and the field operations stemming from producer loan and purchase agreements, inventory management, and merchandising activities.

The State committees are in general administrative charge of all programs carried out in their respective States. Within the framework of national policy, they determine the policies to be followed and direct the adaptation of national programs to the State.

The Agricultural Stabilization and Conservation county committees are responsible for the local administration of programs. They carry out all functions dealing directly with farmers. The elected county committee is in charge of the county office.

The programs and activities carried out by this Service include: agricultural conservation program, Appalachian Region conservation program, acreage allotment and marketing quota programs, Sugar Act program, conservation reserve program, wheat, feed grain, and cotton diversion programs, cropland conversion program, cropland adjustment program, dairy indemnity payment program, Wool Act program, bin storage program, and price support and related programs.

The activities carried out by the Agricultural Stabilization and Conservation Service fall within three major categories:

1. *Program formulation and appraisal.*—The supply adjustment, conservation, and the price support programs and the management and merchandising of commodities acquired under the price support program have a tremendous impact on the national and, to a lesser extent, the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate even more effective programs.

2. *Operation of supply adjustment, conservation, and price support programs.*—This activity includes all functions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures, (b) holding meetings with employees and producers to discuss new programs or changes in existing programs, (c) collecting and compiling basic data for individual farms, (d) establishing individual farm allotments, (e) establishing proportionate shares for sugar farms, when necessary, (f) notifying producers of allotments, proportionate shares, productivity indexes, and payment rates, (g) determining farm marketing allocations, (h) handling appeals, (i) determining county normal yields, (j) conducting referendums and certifying results, (k) checking compliance with acreage allotments and use of diverted acres, (l) developing pooling agreements under which several farmers work jointly to solve a common conservation problem which cannot be solved by individual action, (m) issuing marketing cards so that production from the allotted acreage can be marketed without penalty, (n) processing producer requests for conservation cost-sharing, and (o)

processing commodity loan documents and issuing sight drafts.

3. *Inventory management and merchandising.*—This activity includes (a) overall management of CCC-owned commodities, (b) selling commodities, (c) donating commodities, and (d) accounting for loans and commodities. The value of the commodities owned by CCC on June 30, 1968, was about \$915 million.

The volume of work in fiscal year 1968 under some of the major programs financed from this account is set forth below:

Acreage allotments and marketing quotas (allotments):		
Tobacco.....	713,971	
Peanuts.....	100,496	
Cotton.....	621,339	
Rice.....	18,221	
Agricultural conservation program:		
Requests for cost-sharing.....	2,081,636	
Conservation materials and services orders.....	1,119,768	
Applications for payment.....	1,465,905	
Pooling agreements.....	5,904	
Sugar Act program:		
Participating ownership tracts.....	48,628	
Estimated planted acreage.....	2,363,100	
Conservation reserve program:		
Number of whole farm contracts.....	77,136	
Number of part farm contracts.....	29,014	
Feed grain and wheat programs: Number of participating farms.....	1,798,370	
Price support program:		
Reinspection of farm-stored loans.....	96,210	
Number of loan repayments received.....	303,958	
Farm-stored loans taken over.....	12,762	
Number of resals.....	131,253	
Number of warehouse loans acquired.....	14,567	
Number of farm storage loans.....	243,067	
Number of warehouse loans.....	170,037	
Number of farm storage facility and drier loans.....	36,549	
Bin storage program:		
Number of structures.....	148,331	
Number of bushels in storage.....	115,560,176	
Number of bushels handled.....	2,870,837	
Cropland adjustment program:		
Number of agreements.....	63,689	
Requests for cost-sharing.....	16,264	
Cropland conversion program:		
Number of agreements.....	9,823	
Requests for cost-sharing.....	1,860	

Object Classification (in thousands of dollars)

Identification code 05-44-3300-0-1-351		1968 actual	1969 est.	1970 est.
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE				
Personnel compensation:				
11.1	Permanent positions.....	40,168	40,656	40,320
11.3	Positions other than permanent.....	1,956	4,092	4,114
11.5	Other personnel compensation.....	428	466	466
	Total personnel compensation.....	42,552	45,214	44,900
12.1	Personnel benefits: Civilian employees.....	3,485	3,695	3,656
13.0	Benefits for former personnel.....	100	62	50
21.0	Travel and transportation of persons.....	2,715	2,880	2,870
22.0	Transportation of things.....	482	513	503
23.0	Rent, communications, and utilities.....	9,183	9,809	9,733
24.0	Printing and reproduction.....	1,247	1,436	1,425
25.0	Other services.....	2,418	2,453	2,428
26.0	Supplies and materials.....	1,100	1,206	1,156
31.0	Equipment.....	167	195	195
41.0	Grants, subsidies, and contributions.....	142,516	149,768	152,239
42.0	Insurance claims and indemnities.....	6	6	6
44.0	Refunds.....	633		
Total obligations, Agricultural Stabilization and Conservation Service.....				
		206,604	217,237	219,161

General and special funds—Continued

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION
SERVICE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-44-3300-0-1-351	1968 actual	1969 est.	1970 est.
ALLOTMENT ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions	125	142	144
11.3 Positions other than permanent	2	3	3
Total personnel compensation	127	145	147
12.1 Personnel benefits: Civilian employees	12	18	12
21.0 Travel and transportation of persons	7	9	8
22.0 Transportation of things	3	4	3
23.0 Rent, communications, and utilities	5	4	4
25.0 Other services	33	42	42
26.0 Supplies and materials	1	1	1
Total obligations, allotment accounts	188	223	217
99.0 Total obligations	206,792	217,460	219,378
Obligations are distributed as follows:			
Agricultural Stabilization and Conservation Service	206,604	217,237	219,161
Forest Service	157	168	160
Office of General Counsel	31	55	57

Personnel Summary

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Total number of permanent positions	4,376	4,385	4,385
Full-time equivalent of other positions	305	569	557
Average number of all employees	4,710	4,770	4,707
Average GS grade	8.0	8.0	8.0
Average GS salary	\$9,314	\$9,774	\$9,788
Average FC grade	3.6	3.6	3.6
Average FC salary	\$18,968	\$20,336	\$20,336
Average salary of ungraded positions	\$5,916	\$6,071	\$6,071

ALLOTMENT ACCOUNTS

Total number of permanent positions	15	16	16
Full-time equivalent of other positions	1	1	1
Average number of all employees	14	14	14
Average GS grade	7.9	8.4	8.3
Average GS salary	\$8,795	\$10,123	\$9,956
Average salary of ungraded positions	\$6,788	\$6,905	\$6,905

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), **[\$82,000,000]** \$96,300,000, to remain available until June 30 of the next succeeding fiscal year. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-44-3305-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
Payments to sugar producers:			
(a) Continental beet area	44,681	49,594	57,086
(b) Continental cane area	17,036	13,343	17,458
(c) Offshore cane area	18,283	19,063	21,756
10 Total program costs, funded—obligations (object class 41.0)	80,000	82,000	96,300
Financing:			
40 Budget authority (appropriation)	80,000	82,000	96,300

Relation of obligations to outlays:			
71 Obligations incurred, net	80,000	82,000	96,300
72 Obligated balance, start of year	10,057	6,228	-----
74 Obligated balance, end of year	-6,228	-----	-----
90 Outlays	83,829	88,228	96,300

The objectives are to provide consumers with adequate supplies of sugar at reasonable prices, to protect the welfare of the domestic sugar industry, and to promote the export trade of the United States. Total U.S. requirements and quotas are determined each year. The quota for each domestic area is allotted to individual sellers when necessary to achieve orderly marketing. Restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

Payments are made which supplement the income of domestic producers of cane and beets. Payments require compliance with specified conditions of employment, production and price. Payments are also made for abandonment of planted acreage and crop deficiencies on harvested acreage due to natural calamities.

The increase of \$14.3 million proposed for 1970 is required to provide necessary funds to complete payments on the 1968 crop, and to make payments on the 1969 crop to eligible producers in the fiscal year 1970.

Tax collections from imports of sugar exceed total obligations by \$594.9 million for fiscal years 1938 through 1968.

The principal outputs are:

PRODUCTION, THOUSANDS OF SHORT TONS, RAW VALUE

Area	1967 crop year	1968 crop year	1969 crop year
Continental beet area	2,684	3,600	3,700
Continental cane area	1,457	1,385	1,175
Hawaii	1,191	1,265	1,235
Puerto Rico (prior crop year)	818	646	800
Total output	6,150	6,896	6,910

Proposed for separate transmittal, existing legislation:

SUGAR ACT PROGRAM

Program and Financing (in thousands of dollars)

Identification code 05-44-3305-1-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
Payments to sugar producers:			
(a) Continental beet area	-----	4,222	-----
(b) Continental cane area	-----	3,278	-----
10 Total program costs, funded—obligations (object class 41.0)	-----	7,500	-----
Financing:			
40 Budget authority (proposed supplemental appropriation)	-----	7,500	-----
Relation of obligations to outlays:			
71 Total obligations (affecting outlays)	-----	7,500	-----
90 Outlays	-----	7,500	-----

The proposed supplemental appropriation is to provide additional funds for making conditional payments to eligible sugar producers, due to production in excess of previous estimates.

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590o, 590p-1, and 590q), including not to exceed **[\$6,000] \$15,000** for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, **[\$190,000,000] \$195,500,000**, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, **[1967] 1968** and **[1968] 1969**, carried out during the period July 1, **[1966] 1967**, to December 31, **[1968] 1969**, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3 (III), 4 (IV), and 5 (V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and **[administration]** administration of the **[1969] 1970** program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices and pollution abatement practices, under the Act of February 29, 1936, as amended (amounting to **[\$195,500,000] \$100,000,000**, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels. **(16 U.S.C. 590g-590o, 590p-1; Department of Agriculture and Related Agencies Appropriation Act, 1969.)**

Program and Financing (in thousands of dollars)

Identification code 05-44-3315-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Cost-sharing assistance to farmers (costs—obligations) (object class 41.0)-----	195,565	195,500	100,000
Financing:			
11 Receipts and reimbursements from: Federal funds-----	-65	-----	-----
17 Recovery of prior year obligations (contract authorization)-----	-----	-5,500	-----
21.49 Unobligated balance available, start of year (contract authorization)---	-----	-24,500	-5,500

24.49 Unobligated balance available, end of year (contract authorization)-----	24,500	5,500	-----
25.49 Unobligated balance lapsing (contract authorization)-----	-----	24,500	5,500
49 Budget authority (contract authorization) (81 Stat. 328 and 82 Stat. 647)-----	220,000	195,500	100,000
Relation of obligations to outlays:			
71 Obligations incurred, net-----	195,500	190,000	100,000
Obligated balance, start of year (allocation to States):			
72.40 Appropriation-----	27,966	28,441	15,641
72.49 Contract authorization-----	220,000	195,500	195,500
Obligated balance, end of year (allocation to States):			
74.40 Appropriation-----	-28,441	-15,641	-15,141
74.49 Contract authorization-----	-195,500	-195,500	-100,000
77 Adjustments in expired accounts-----	-161	-----	-----
90 Outlays-----	219,364	202,800	196,000

Status of Unfunded Contract Authorization (in thousands of dollars)

Unfunded balance, start of year-----	220,000	220,000	201,000
Contract authorization-----	220,000	195,500	100,000
Administrative cancellation of unfunded balance-----	-----	-24,500	-5,500
Unfunded balance, end of year-----	-220,000	-201,000	-100,000
Appropriation to liquidate contract authorization-----	220,000	190,000	195,500

This program is designed to encourage conservation by sharing with farmers, ranchers, and woodland owners the cost of carrying out approved soil-building and soil- and water-conserving practices, including related wildlife-conserving practices. These are practices which farmers generally would not perform to the needed extent with their own resources. The rate of cost-sharing averages about 50% of the cost. Cost-sharing may be in the form of conservation materials and services or a payment after completion of the practice.

Conservation measures offered include those primarily designed to establish permanent protective cover, improve and protect established vegetative cover, conserve and dispose of water, establish temporary vegetative cover, temporarily protect soil from wind and water erosion, and provide wildlife and beautification benefits.

The following and other practices were installed under the 1967 program on a million farms:

[In thousands]

Constructing water storage reservoirs-----structures--	55
Constructing terraces-----acres--	573
Establishing stripcropping systems-----acres--	266
Establishing permanent sod waterways-----acres--	57
Establishing or improving enduring vegetative cover-----acres--	11,688
Controlling competitive shrubs on range or pasture-----acres--	2,064
Planting trees and shrubs-----acres--	191
Improving stands of forest trees-----acres--	220

Funds are distributed among the States on the basis of conservation needs. They are, in turn, distributed by the Agricultural Stabilization and Conservation State committees to counties. The county committees approve conservation practice cost-sharing for eligible persons.

Loans from Commodity Credit Corporation are used to make advance payments to vendors. These payments are for conservation materials and services furnished to farmers and ranchers prior to the time funds are appropriated each year. Repayment is made from balances of prior appropriations or from new funds appropriated.

General and special funds—Continued

AGRICULTURAL CONSERVATION PROGRAM—Continued

Amounts repaid or estimated to be repaid on the Commodity Credit Corporation loans are (in thousands of dollars):

	1968 actual	1969 estimate	1970 estimate	Total
Loan repayment.....	45,000	35,000	35,000	115,000
Interest.....	18	16	30	64

A level of \$100 million for the 1970 program is proposed, excluding administrative expenses. Payments for the 1970 program will be made principally from the 1971 appropriation.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), [\$84,500,000] \$79,330,000: *Provided, That agreements entered into during fiscal year 1970 shall not require payments in excess of \$99,300,000 during the calendar year 1970. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)*

Program and Financing (in thousands of dollars)

Identification code 05-44-3335-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Adjustment, cost-sharing and technical assistance (program costs, funded—obligations) (object class 41.0).....	84,500	81,900	79,330
Financing:			
25 Unobligated balance lapsing.....	-----	12	-----
Budget authority.....	84,500	81,912	79,330
Budget authority:			
40 Appropriation.....	-----	84,500	-----
45 Proposed transfer to other accounts for pay increases.....	-----	2,588	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	84,500	81,900	79,330
72 Obligated balance, start of year.....	2,833	3,590	4,690
74 Obligated balance, end of year.....	-3,590	-4,690	-4,090
90 Outlays.....	83,744	80,800	79,930

The cropland adjustment program, authorized by the Food and Agriculture Act of 1965, assists farmers, through long-term agreements, to divert cropland from the production of certain crops to more needed uses that will promote the development and conservation of our soil, water, forest, wildlife, and recreational resources. The period of an agreement cannot be less than 5 years nor more than 10 years. The program also helps farmers establish, protect and conserve open spaces and natural beauty, and prevent air and water pollution.

In return for diverting the cropland to approved public benefit uses, producers receive adjustment payments. They also are eligible to receive cost-sharing assistance for establishing approved land treatment measures. Additional incentive payments are made to producers who enter into agreements to permit free public access to land designated under the cropland adjustment program agreement, for hunting, trapping, fishing, and hiking.

Funds may also be made available to Federal, State or local governmental agencies for use in acquiring cropland to be permanently converted to specified public uses, and cost-shares may be paid to such agencies for establishing approved land treatment measures consistent with the conditions and costs under agreements entered into with producers.

Under cropland adjustment programs approved for 1966 and 1967, producers in 47 States entered into agreements to divert 4 million acres from production of crops to other uses. Also, free public access agreements were entered into on 1 million acres of this land. In addition, under the Greenspan provisions of the program, State and local government agencies in 25 States entered into 139 agreements, under which they were assisted in purchasing cropland for permanent conversion to uses such as public parks, playgrounds, nature study centers, and pollution control projects.

There were no authorizations to place additional acreage in cropland adjustment programs for 1968 or 1969. A program of 4 million acres is proposed for 1970.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, [\$109,000,000] \$37,900,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)*

Program and Financing (in thousands of dollars)

Identification code 05-44-3369-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Conservation reserve program (costs—obligations) (object class 41.0).....	123,000	109,000	37,900
Financing:			
40 Budget authority (appropriation).....	123,000	109,000	37,900
Relation of obligations to outlays:			
71 Obligations incurred, net.....	123,000	109,000	37,900
72 Obligated balance, start of year.....	419	1,618	1,618
74 Obligated balance, end of year.....	-1,618	-1,618	-----
90 Outlays.....	121,802	109,000	39,518

This program, initiated in 1956, has two objectives. One is to bring total crop acreage more nearly in line with demand by withdrawing cropland from production. The other is to establish and maintain sound conservation practices on the land withdrawn. The Secretary was authorized, through calendar year 1960, to enter into 3- to 15-year contracts with producers. For removing designated cropland from production and for establishing necessary conservation practices, the producer receives an annual rental payment each year of the contract period. He also receives cost-sharing assistance for the establishment of required practices. Total annual rental payments to a producer are limited to \$5 thousand.

Participation in the program is summarized below:

Number of contracts, 1968 program.....	88,415
Number of acres, 1968 program.....	9,243,787
Payments made in program year 1967, estimated.....	\$121,801,612
Estimated payments to be made in program year 1968.....	\$109,000,000

The reduction in 1970 reflects the relatively large number of contracts which expire at the end of calendar year 1968.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957,

to remain available until expended, \$5,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures. (71 Stat. 176; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code	05-44-3316-0-1-354	1968 actual	1969 est.	1970 est.
Program by activities:				
	Emergency cost-sharing assistance to farmers (program costs funded)-----	12,447	12,440	18,571
	Change in selected resources ¹ -----	-7,447	-7,440	-13,571
10	Total obligations (object class 41.0) ..	5,000	5,000	5,000
Financing:				
40	Budget authority (appropriation)---	5,000	5,000	5,000
Relation of obligations to outlays:				
71	Obligations incurred, net-----	5,000	5,000	5,000
72	Obligated balance, start of year-----	24,645	24,242	21,542
74	Obligated balance, end of year-----	-24,242	-21,542	-18,542
90	Outlays-----	5,403	7,700	8,000

¹ Selected resources as of June 30 are as follows: Advances 1967, \$18,631 thousand (1968 adjustments, \$2,759 thousand); 1968, \$13,943 thousand (1969 adjustments, \$3,535 thousand); 1969, \$10,038 thousand (1970 adjustments, \$3,533 thousand); 1970, \$0.

This appropriation provides special funds for sharing the cost of emergency conservation measures to deal with cases of severe damage to farm and rangelands resulting from natural disasters. The criteria under which assistance may be made available are set forth in the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(h)).

Funds are allocated for use only in those counties designated by the Secretary of Agriculture as disaster counties. Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

Under the 1968 program cost-sharing assistance is being provided to treat farmlands damaged by drought, flood, fire, and tornado. As of August 31, 1968, there were 217 counties in 24 States where assistance is being provided.

INDEMNITY PAYMENTS TO DAIRY FARMERS

For necessary expenses to carry out the provisions of the Act of August 13, 1968 (Public Law 90-484), **["\$500,000"] \$200,000: Provided,** That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government. (*Supplemental Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code	05-44-3314-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:				
10	Indemnity payments to dairy farmers (costs—obligations) (object class 41.0)	231	300	200
Financing:				
25	Unobligated balance lapsing-----	69	-----	-----
	Budget authority-----	300	300	200
Budget authority:				
40	Appropriation-----	-----	300	200
42	Transferred from other accounts-----	300	-----	-----
43	Appropriation (adjusted)-----	300	300	200

Relation of obligations to outlays:

71	Obligations incurred, net-----	231	300	200
72	Obligated balance, start of year-----	260	105	155
74	Obligated balance, end of year-----	-105	-155	-----
77	Adjustment in expired accounts-----	-122	-----	-----
90	Outlays-----	264	250	355

Under this program the Department makes payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government.

This program began in 1964 and was funded from the Office of Economic Opportunity appropriations since the authorization was in the Economic Opportunity Act of 1964 (sec. 331).

For 1968, the program was funded by transfer from Office of Economic Opportunity from funds provided in the Supplemental Appropriation Act, 1968. This program was extended through June 30, 1970 by Public Law 90-484.

Claims made from the beginning of the program through June 30, 1968 amounted to \$1,011,135.

It is estimated that additional claims amounting to \$300 thousand will occur during fiscal year 1969.

CROPLAND CONVERSION PROGRAM

Program and Financing (in thousands of dollars)

Identification code	05-44-3333-0-1-351	1968 actual	1969 est.	1970 est.
Financing:				
17	Recovery of prior year obligations-----	-1,287	-820	-----
21	Unobligated balance available, start of year-----	-7,013	-740	-----
23	Unobligated balance transferred to other accounts-----	7,560	1,560	-----
24	Unobligated balance available, end of year-----	740	-----	-----
	Budget authority-----	-----	-----	-----
Relation of obligations to outlays:				
71	Obligations incurred, net-----	-1,287	-820	-----
72	Obligated balance, start of year-----	12,001	7,587	3,767
74	Obligated balance, end of year-----	-7,587	-3,767	-1,367
90	Outlays-----	3,127	3,000	2,400

Long-range agreements were approved with farmers and ranchers from 1963 to 1967 to make changes from their past cropping systems and land uses to other income-producing, public benefit uses.

The agreements, not to exceed 10 years, provide for payments, the furnishing of materials and services, and other assistance to farmers. In return, farmers change the land-use and install and maintain conservation practices. Adjustment payments were authorized to be made either upon approval of the agreement or on an annual installment basis. Land treatment practice payments are made after the practice is installed.

The law places a limit of \$10 million on payments made in a calendar year under signed agreements.

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriation as follows:

Agriculture:
Soil Conservation Service, "Great Plains Conservation Program."
Appalachian Region Commission, "Appalachian Region Conservation Program."
Funds appropriated to the President, "Revolving fund, Defense Production Act."

General and special funds—Continued

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Financing and Expenditures (in thousands of dollars)

Identification code 05-44-8200-0-7-351	1968 actual	1969 est.	1970 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
72 Obligated balance, start of year.....	2	-----	-----
90 Outlays.....	2	-----	-----

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained but not previously reimbursed, pursuant to

the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), [\$3,188,112,500, of which \$350,467,000 is for liquidation of contract authorization: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials or commodities, so long as North Vietnam is governed by a Communist regime] \$6,215,934,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Public enterprise funds:

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL WOOL ACT

COMMODITY CREDIT CORPORATION FUND

Note.—Expenditures from the following fund for 1969 are subject to the first paragraph of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1969. For 1970, this paragraph is shown in the Department of Agriculture chapter, p. 165 preceding Federal Crop Insurance Corporation fund.

Program and Financing (in thousands of dollars)

Identification code 05-48-4336-0-3-999	1968 actual	1969 estimate	1970 estimate
Program by activities:			
Price support and related programs:			
Operating costs, funded:			
(1) Cost of commodities sold (including exchanges for payment-in-kind certificates).....	1,497,490	517,384	647,903
(2) Cost of commodities donated, domestic.....	236,632	319,384	356,447
(3) Storage, transportation and other costs not included above.....	154,286	253,037	296,816
(4) Export payments.....	73,545	35,470	37,748
(5) Price support payments.....	932,859	1,270,000	1,508,600
(6) Wheat certificates issued.....	726,436	747,000	738,400
(7) Land retirement payments:			
(a) Feed grains.....	510,223	595,000	632,100
(b) Wheat.....	-----	35,000	80,000
(c) Cotton.....	244,335	103,000	31,000
(8) Administrative expense subject to limitation.....	29,661	31,500	29,295
(9) Nonadministrative expense not distributed above.....	24,101	28,990	28,257
(10) Interest:			
(a) Treasury.....	202,381	238,044	230,100
(b) Other.....	73,568	70,000	99,981
(11) Increase or decrease (—) in provision for losses:			
(a) On commodities for sale.....	—313,292	107,470	67,000
(b) On accounts receivable.....	1,082	—115	-----
Total operating costs, funded.....	4,393,307	4,351,164	4,783,647
Capital outlay funded:			
(1) Direct loans.....	56,869	80,000	48,000
(2) Guaranteed loans purchased.....	2,092,693	2,074,802	1,586,845
(3) Purchases of administrative equipment.....	912	4,300	2,800
Total, capital outlay, funded.....	2,150,474	2,159,102	1,637,645
Total, program costs, funded.....	6,543,781	6,510,266	6,421,292
Change in selected resources ¹	—429,067	1,229,631	795,440
Total, price support and related programs (obligations).....	6,114,714	7,739,897	7,216,732
Special activities:			
Operating costs, funded:			
1. Commodities transferred from price support program.....	300,077	297,691	287,490
2. Other operating costs:			
(a) Interest.....	885	791	718
(b) Other program and operating costs.....	1,276,833	1,071,185	976,496
Total, operating costs, funded.....	1,577,795	1,369,667	1,264,704
Capital outlay:			
Loans made for agricultural conservation purposes (obligations).....	35,000	35,000	35,000
Export credit sales program (obligations).....	137,887	177,450	188,050
Total program costs, funded.....	1,750,682	1,582,117	1,487,754
Change in selected resources ¹	33,216	—6,092	—64,000
Total, special activities (obligations).....	1,783,898	1,576,025	1,423,754
Total obligations.....	7,898,612	9,315,922	8,640,486

Financing:				
Receipts and reimbursements from:				
Price support and related programs:				
11	Federal funds:			
	Sales to special activities	-300,077	-297,691	-287,490
	Interest revenue	-1,021	-2,607	-748
	Other revenue	-2,256	-2,420	-2,420
14	Non-Federal sources:			
	Redemption of payment-in-kind certificates	-660,889	-68,000	-143,000
	Sales and other proceeds	-546,547	-509,162	-601,005
	Interest revenue	-33,753	-47,393	-57,252
	Other revenue	-503		
	Realization of assets	-9,270	-2,700	-2,100
	Loans repaid	-1,035,673	-1,671,685	-1,847,965
	Loan collateral forfeited	-175,468	-498,885	-550,048
Special activities:				
11	Federal funds:			
	Reimbursements received	-223,253	-200,040	-176,240
	Repayment of loan for agricultural conservation purposes	-45,000	-35,000	-35,000
	Advance from foreign assistance and special export programs	-1,198,500	-830,000	-1,018,100
14	Non-Federal sources:			
	Repayments by foreign governments and exporters:			
	Long-term credit sales (Public Law 480)	-51,928	-66,000	-104,800
	Short-term export credit sales program	-102,212	-110,000	-185,000
16	Comparative transfers to other accounts	2,089	131	
21.47	Unobligated balance available, start of year: Authorization to spend public debt receipts	-1,101,590		
21.98	Unobligated balance of sec. 32 research funds, start of year	-2,537	-131	
22	Unobligated balance transferred from other accounts			-30,000
23	Unobligated balance transferred to other accounts	30,000		
24.98	Unobligated balance of sec. 32 research funds, end of year	131		
25.98	Unobligated balance returned: sec. 32 research funds	317		
Budget authority		2,440,672	4,974,339	3,599,318
Budget authority:				
Price support and related programs:				
40	Reimbursement for net realized losses	1,400,000	2,837,645	3,534,542
41	Transferred to other accounts	-275		
43	Appropriation (adjusted)	1,399,725	2,837,645	3,534,542
69	Contract authorization (permanent, indefinite)	1,006,154	2,064,243	
Budget authority, price support, and related programs		2,405,879	4,901,888	3,534,542
Special activities:				
60	Reimbursement to Commodity Credit Corporation, National Wool Act (permanent, indefinite, special fund)	34,793	72,451	64,776
Relation of obligations to outlays:				
Price support and related programs:				
71	Obligations incurred, net	3,349,257	4,639,354	3,724,704
Obligated balance, start of year:				
72.47	Authorization to spend public debt receipts	3,236,468	2,511,172	1,771,698
72.49	Contract authorization		916,117	2,630,826
72.98	Fund balance:			
	Commodity Credit Corporation	63,521	42,839	45,000
	Agricultural Stabilization and Conservation Service funds reported elsewhere	-90,747	-78,558	-53,600
Obligated balance, end of year:				
74.47	Authorization to spend public debt receipts	-2,511,172	-1,771,698	-5,016,924
74.49	Contract authorization	-916,117	-2,630,826	-7,592
74.98	Fund balance:			
	Commodity Credit Corporation	-42,839	-45,000	-45,000
	Agricultural Stabilization and Conservation Service funds reported elsewhere	78,558	53,600	47,900
90	Outlays, price support and related programs	3,166,930	3,637,000	3,097,012
Special activities:				
71	Obligations incurred, net	165,094	335,116	-95,386
72.98	Obligated balance, start of year	65,038	90,037	89,104
74.98	Obligated balance, end of year	-90,037	-89,104	-30,946
77	Adjustments to military housing nonexpenditure transaction	5,870	6,000	6,000
	Adjustment to sec. 32 research funds (reported elsewhere)	-2,089	-131	
	Unobligated balance returned: sec. 32 research funds	-317		
90	Outlays, special activities	143,559	341,918	-31,228
Total outlays		3,310,489	3,978,918	3,065,784

¹ Balances of selected resources are identified on the statement of financial condition.

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Status of Unfunded Contract Authorization (in thousands of dollars)

Identification code	1968 actual	1969 estimate	1970 estimate
05-48-4336-0-3-999			
Unfunded balance, start of year ²		1,006,154	2,719,930
Contract authorization	1,006,154	2,064,243	
Unfunded balance, end of year ²	-1,006,154	-2,719,930	-38,538
Appropriation to liquidate contract authorization		350,467	2,681,392

² Statutory obligations against borrowing authority include only borrowings from, or with the approval of, Treasury. A sufficient amount of CCC's borrowing authority is required to be reserved to cover obligations to purchase notes, certificates of interest, or other obligations evidencing loans held by banks and accrued interest thereon, but such obligations, other obligations, contingent liabilities and commitments do not become charges against the statutory borrowing authority until they result in borrowings from Treasury. Only that portion of the borrowing authority is available which has neither been so reserved nor charged by actual borrowings.

The Commodity Credit Corporation was created to stabilize, support, and protect farm income and prices, help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and help in their orderly distribution (15 U.S.C. 714-714p). It may also make available materials and facilities required in connection with the production and marketing of agricultural commodities. In addition to its basic functions, it is used to administer, and in some cases, temporarily finance numerous special activities.

The Corporation's capital stock of \$100 million is held by the United States. Up to \$14.5 billion may be borrowed to finance operations.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1969 and 1970 budget estimates: (a) Employment, production, and national income will rise both in 1969 and 1970 from the present level; (b) generally, exports of agricultural commodities in 1970 will increase over 1969 levels; (c) yields for the 1969 crops are based on recent averages adjusted for trend; (d) acreage allotments and marketing quotas will be in effect for the 1969 crops of peanuts, rice, cotton, and certain kinds of tobacco (flue-cured tobacco will be on an acreage-poundage program); and (e) special programs for cotton, feed grains, and wheat will be continued.

It is difficult to forecast with accuracy requirements for the year ending June 30, 1970. Complex and unpredictable factors are involved, such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

PROGRAMS OF THE CORPORATION

The basic functions of the Corporation include the following programs for which appropriations are made for net realized losses sustained (in thousands of dollars):

Program	1970 estimate		
	Gross obligations	Outlays	Net realized loss for year
Price support payments	1,508,600	1,488,600	1,508,600
Wheat certificates issued (515 million bushels)	738,400	324,100	348,400
Other price support	3,611,967	310,072	699,442
Commodity export	175,978	37,748	37,748
Storage facilities	48,000	8,000	
Supply	254	-21	-21
Feed grain diversion (37 million acres)	632,100	494,200	632,100
Wheat diversion (11 million acres)	80,000	79,000	80,000
Cotton diversion (small farms)	31,000	31,000	31,000
Other items not distributed by program	390,433	324,313	328,563
Total	7,216,732	3,097,012	3,665,832

Price support.—The Corporation, through loans, purchases, payments, and other means, supports the prices of agricultural commodities to producers. This is done mainly under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.) and the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.).

The 1949 act makes price support mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. It also requires support of the following non-basic commodities: Tung nuts, honey, milk, butterfat, and the products of milk and butterfat, barley, oats, rye, and grain sorghums. The National Wool Act of 1954, as amended (7 U.S.C. 1781-1787) requires price support for wool and mohair. Price support for other nonbasic commodities is discretionary. However, whenever the price of either cottonseed or soybeans is supported, the support price of the other must be set at such level as the Secretary determines will cause them to compete on equal terms on the market. The price support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing price support are loans to and purchases from producers. With limited exceptions, price support loans are nonrecourse. The commodities serve as collateral for the loan and upon maturity thereof, the producer may deliver such collateral to satisfy his obligation without further payment, unless there is a deficiency in quantity or quality, or the producer is guilty of fraudulent representation.

Direct purchases are also made from processors as well as producers, depending on the commodity involved. Also, special purchases for the removal of surpluses are made under certain laws, for example: The act of August 19, 1958, as amended (7 U.S.C. 1431 note), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431). In the case of feed grains, in addition to loans and purchases, a portion of the price support is made through issuance of negotiable payment-in-kind certificates which are handled in the same manner as payment-in-kind certificates issued under the feed grain acreage diversion programs. In the case of upland and extra-long staple cotton, in addition to loans, producers receive price support payments in cash or in payment-in-kind certificates. In the case of wheat, in addition to loans and purchases, producers receive marketing certificates as hereinafter described.

In all the price support operations, normal trade facilities are used to the maximum extent practicable. Local banks, cooperatives, and other financial institutions

are used in lending activities. Commercial facilities are used to a great extent for storage.

Besides the Charter Act and laws mentioned above, many other laws are applicable to the disposition through sales, donations, and barter of commodities acquired under the price-support program.

For accounting purposes, the Corporation credits to the price-support program sales proceeds of commodities sold from its price-support stocks, including those disposed of through redemption of domestic and export payment-in-kind certificates and through special activities.

DATA ON PRICE-SUPPORT PROGRAM

[In thousands of dollars]

Item	1968 actual	1969 estimate	1970 estimate
Loans made.....	1,995,049	2,586,259	2,096,645
Loans repaid.....	1,021,640	1,649,680	1,807,965
Loan collateral forfeited.....	175,468	498,885	550,048
Loans outstanding, June 30.....	2,268,217	2,674,053	2,377,235
Acquisitions.....	619,433	1,175,314	1,220,654
Cost of commodities sold.....	1,328,517	516,994	647,653
Cost of commodities donated.....	236,632	319,384	356,447
Inventory as of June 30.....	912,697	1,253,591	1,470,145
Investment in price support as of June 30	3,180,914	3,927,644	3,847,380
Price support payments and wheat certificates.....	1,659,295	2,017,000	2,247,000
Net expenditures.....	1,894,305	3,011,939	2,476,178
Realized losses.....	2,072,475	2,267,167	2,556,442

Commodity export.—The Corporation promotes the export of agricultural commodities and products through sales, barter, payments, and other operations. Other than in barter for stockpiling purposes, such commodities and products may be those held in private trade channels as well as those acquired by the Corporation in its price-support operations. This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (d) and (f), and in accordance with specific statutes where applicable. Export sales for foreign currencies are made under the Agricultural Trade Development and Assistance Act of 1954, as amended, although such sales of commodities owned by the Corporation may also be made under its charter authority.

The activities described below are illustrative of those conducted under this program during 1969. With respect to barter, the emphasis is on exports in connection with various types of offshore procurement of materials and services needed by the Department of Defense, the Agency for International Development, and other agencies, for which they pay the Corporation. Barter may also be made for strategic and other materials for the supplemental stockpile but such barter is on a limited scale. Commodities available for barter vary from time to time.

When necessary to encourage export movement from free-market supplies, as well as from its own stocks, the Corporation makes payments on wheat, wheat products, cotton, corn, grain sorghum, barley, oats, rye, rice, flaxseed, linseed oil, tobacco, butter, nonfat dry milk, milk-fat, and cheese. The rate of payment generally is the difference between the prevailing world export sales price and the domestic market price, and in the case of wheat, the payments are made at levels needed to meet U.S. obligations under the International Grains Arrangement.

To help develop or expand foreign markets, the Corporation also furnishes farm commodities and products for samples or exhibits at international trade fairs and for use abroad in testing consumer acceptance and commercial market potentials.

To maximize exports of agricultural commodities, including products thereof, the Corporation conducts an Export Credit Sales program under which it finances commercial export credit sales by exporters of agricultural commodities obtained either from CCC inventories or from private stocks. The financing agreement between CCC and the exporter provides for payment, with interest, in U.S. dollars within periods of not to exceed 3 years, assured by both acceptable bank obligations and an assignment of the account receivable arising from the export sale. The payments received are applied against current costs. These commercial transactions are financed under the Corporation's charter authority and section 4 of the Food for Peace Act (7 U.S.C. 1707a) and are to be distinguished from the long-term credit contracts involving foreign assistance authorized by the Agricultural Trade Development and Assistance Act of 1954, as amended. Section 4 of the Food for Peace Act of 1966 authorizes appropriations to reimburse the Corporation annually for its actual costs incurred or to be incurred under this program. Estimates for this activity are included under special activities.

Storage facilities.—The Corporation conducts a program to provide storage adequate to fulfill its program needs. This program is conducted pursuant to sections 4 (h) and (m), and 5 (a) and (b) of the charter.

The Corporation has authority to buy bins (in storage-short areas) and equipment for the care and storage of grain owned by Commodity Credit Corporation or under its control. This authority to purchase bins has not been exercised since 1956. The Corporation has now reduced its storage capacity by more than 50%. The Corporation makes loans for the purchase, building, or expanding of facilities for storage and care of commodities on the farm and sells to producers and others bins needed for the storage of grain. Bins sold by the Corporation may be those acquired for resale for this purpose or those which are no longer required by the Corporation for the storage of its own grain. Public Law 89-758 permits the sale of grain storage facilities no longer needed for such program use to public and private nonprofit agencies and organizations. The Corporation may also provide storage use guarantees, to encourage building of commercial storage and undertake other operations necessary to provide storage adequate to carry out the Corporation's programs.

Supply and foreign purchase.—The Corporation procures from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies. It similarly procures or aids in the procurement of such foods, commodities, products, and material for sale to meet domestic requirements during periods of short supply or during such other times as will stabilize prices or facilitate distribution. Through purchases, loans, sales, or other means, the Corporation may also make available materials and facilities needed for the production and marketing of agricultural commodities. The Corporation, on behalf of the Secretary, also purchases at market prices dairy products which are donated to meet the requirements for schools, domestic relief distribution, community action programs, and other programs as are authorized by law when there are insufficient stocks of such products in the hands of the Corporation available for such purposes.

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Purchases for other Federal agencies of commodities not in the Corporation's price-support stocks has been the main activity. Purchases of limited quantities of breeder, foundation, and registered seeds of improved varieties of grasses and legumes are made through production contracts in order to assure supplies thereof for farmers. No foreign purchases have been made in recent past years.

This program is conducted under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act and with respect to dairy products under section 5(g) of that act and section 709 of the Food and Agriculture Act of 1965. Section 4 of the act of July 16, 1943 (15 U.S.C. 713a-9), requires that the Corporation be fully repaid from funds of such agencies for services performed, losses sustained, operating costs incurred, or commodities bought or delivered to or on behalf of any other Federal agency. Operations not subject to section 4 may involve losses if such are necessary to the accomplishment of the objectives of the particular operation.

Feed grain acreage diversion program.—An acreage diversion program is conducted on 1968 and 1969 crops of feed grains by the Agricultural Stabilization and Conservation Service utilizing the facilities and stocks of the Corporation. Under this program payments are made to farmers who divert acreage from the production of feed grains to an approved conservation use. This program is carried out under the Soil Conservation and Domestic Allotment Act, as amended by the Food and Agriculture Act of 1965 (Public Law 89-321), as extended by Public Law 90-559, approved October 11, 1968.

Payments are made by the issuance of negotiable payment-in-kind certificates. The farmer may elect either to have the certificate redeemed in feed grains from the Corporation's stocks or if he requests the Corporation's assistance in the marketing of the certificate he may obtain cash by issuance by the Corporation of a negotiable sight draft. The Corporation markets rights, represented by certificates on which it has made cash advances to buyers for redemption in feed grains from its stocks.

Wheat certificate program.—A wheat certificate program for 1968 and 1969 crops is conducted by the Agricultural Stabilization and Conservation Service utilizing the funds and facilities of the Corporation. This program is authorized by the Agricultural Adjustment Act of 1938, as amended by the Food and Agriculture Act of 1962, the Agricultural Act of 1964, and the Food and Agriculture Act of 1965, as extended by Public Law 90-559.

Under the voluntary wheat certificate program, domestic marketing certificates are issued to participating farmers which may be sold at face value to Commodity Credit Corporation. Processors of wheat are required to buy domestic certificates equivalent to the number of bushels of wheat used in the manufacture of the food products.

Exporters may not ship abroad any wheat without buying export marketing certificates equivalent to the number of bushels exported at a cost determined by the Secretary to make U.S. wheat and wheat flour competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. The net proceeds, if any, from the sale of export marketing certificates, after deducting export subsidies paid exporters, will be distributed to producers on a pro rata basis.

Wheat acreage diversion program.—An acreage diversion program is conducted on the 1969 crop of wheat by the Agricultural Stabilization and Conservation Service under section 339(b) of the Agricultural Act of 1938, as amended by the Food and Agriculture Act of 1965, as extended. Payments will be made to wheat producers who divert a portion of their acreage to approved conservation use through issuance of CCC sight drafts.

Cotton acreage diversion program.—An acreage diversion program is conducted on the 1968 and 1969 crops of upland cotton by the Agricultural Stabilization and Conservation Service under section 103(d) of the Agricultural Act of 1949, as amended by the Food and Agriculture Act of 1965, as extended. Cotton producers complying with allotments or diverting a portion of their cotton acreage allotments to conservation uses receive payments from CCC in cash or payment-in-kind certificates which CCC will redeem for cotton. CCC may assist the producers in the marketing of certificates in the same manner as it assists feed grain producers in the marketing of their payment-in-kind certificates.

Loan operations.—The following table reflects the loan operations of the Corporation which apply to the preceding programs (in thousands of dollars):

Item	1968 actual	1969 estimate	1970 estimate
Loans outstanding, gross, beginning of year:			
Commodity Credit Corporation.....	514,838	1,421,770	1,374,144
Certificates of interest or loans held by financial institutions.....	1,021,096	923,452	1,434,909
Total, loans outstanding, gross, beginning of year.....	1,535,934	2,345,222	2,809,053
Add loans made.....	2,051,918	2,666,259	2,144,645
Deduct:			
Loans repaid.....	1,034,240	1,671,685	1,847,965
Acquisition of loan collateral.....	175,468	498,885	550,048
Writeoffs.....	32,922	31,858	35,450
Total, loans outstanding, gross, end of year.....	2,345,222	2,809,053	2,520,235
Loans outstanding, gross, end of year:			
Commodity Credit Corporation.....	1,421,770	1,374,144	575,526
Certificates of interest or loans held by financial institutions.....	923,452	1,434,909	1,944,709
Total, loans outstanding, gross, end of year.....	2,345,222	2,809,053	2,520,235
Deduct allowance for losses.....	79,927	93,186	87,350
Loans receivable, net (price support and storage facilities).....	2,265,295	2,715,867	2,432,885

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs (in thousands of dollars):

AGRICULTURAL COMMODITIES			
	1968 actual	1969 estimate	1970 estimate
On hand, start of year, gross.....	1,856,556	914,004	1,253,841
Acquisitions:			
Forfeiture of loan collateral.....	175,468	498,885	550,048
Excess of collateral acquired over loans canceled.....	8,304	32,607	25,110
Purchases.....	582,545	638,763	641,821
Transfers and exchanges, net.....	-5,588	-----	-----
Carrying charges:			
Charges to inventory.....	4,950	4,200	3,900
Storage and handling.....	(75,282)	(80,278)	(64,153)
Transportation.....	(21,669)	(114,496)	(40,382)
Total carrying charges to inventory.....	4,950	4,200	3,900
Total acquisitions.....	765,679	1,174,455	1,220,879

Dispositions:			
Donations to:			
Needy persons, domestic.....	219,756	301,414	335,352
Veterans Administration and Armed Forces.....	15,210	16,875	20,000
Research, experimentation, education, penal, etc.....	1,666	1,095	1,095
Total donations.....	236,632	319,384	356,447
Sales and transfers:			
Barter:			
For supplemental stockpile.....	25,888	2,150	-----
For offshore procurement.....	19,791	27,252	28,300
Special programs:			
Title II, Public Law 480.....	274,170	295,500	287,450
Migratory waterfowl feed and game birds.....	19	42	40
Total special programs.....	274,189	295,542	287,490
Commodity export program, payment-in-kind deliveries.....	2,799	-----	-----
Marketing of grain certificates.....	958	15,000	33,000
Marketing of cotton certificates.....	657,132	53,000	110,000
Other sales.....	866,785	151,021	195,521
Net loss or gain, sales and transfers.....	-375,943	-28,731	-6,408
Total sales and transfers.....	1,471,599	515,234	647,903
Total dispositions.....	1,708,231	834,618	1,004,350
On hand, end of year, gross.....	914,004	1,253,841	1,470,370
Less allowance for losses.....	255,989	363,500	430,500
On hand, end of year, net.....	658,015	890,341	1,039,870

STRATEGIC AND CRITICAL MATERIALS

On hand, start of year, gross.....	3,509	1,038	-----
Acquisitions:			
Delivered by barter contractors.....	23,420	1,112	-----
Carrying charges:			
Storage and handling.....	(97)	-----	-----
Transportation.....	(35)	-----	-----
Total carrying charges.....	(132)	-----	-----
Total acquisitions.....	23,420	1,112	-----
Dispositions:			
Supplemental stockpile.....	25,888	2,150	-----
Difference between costs and transfer value.....	3	-----	-----
Total dispositions.....	25,891	2,150	-----
On hand, end of year, gross.....	1,038	-----	-----
Less allowance for losses.....	41	-----	-----
On hand, end of year, net.....	997	-----	-----

Administrative expenses.—Administrative expenses are for the operating staff and the services of employees of the Agricultural Stabilization and Conservation Service engaged in the Corporation's activities, services performed by the Foreign Agricultural Service and other agencies of the Department, costs of audit, and payments to the General Services Administration for space. Estimates for 1970 include a limitation of \$31.5 million for costs of administration including a reserve of not less than 7% for contingencies.

Except for purchases and donations under section 709 of the Food and Agriculture Act of 1965, the requested authorization excludes administrative expenses in connection with the supply program, which has a markup

in the sales price to cover administrative expenses, and excludes the wool and mohair program, under the National Wool Act of 1954, as amended, and the sale of long-staple cotton transferred from the national stockpile, which are included with the costs of those programs under Special activities.

Nonadministrative expenses.—Expenses of acquisition, operation, maintenance, improvement, or disposition of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses. Such expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal or State licensed inspectors; work performed on a contract or fee basis by Agricultural Stabilization and Conservation county committees; and special services performed by other Federal agencies outside of this department.

Most of these general nonadministrative expenses, including storage and handling, transportation, inspection, classing and grading, and resale payments are included in program costs, in the entry entitled Storage, transportation, and other costs not included above in the program and financing schedule. The item Nonadministrative expense which appears in the schedule covers county offices, other ASCS expenses offset by revenue, custodian, and agency expense of the Federal Reserve banks and lending agencies, and miscellaneous costs.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 (7 U.S.C. 447-449) by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation Reimbursement for net realized losses. The Corporation also obtains recovery through this appropriation for the funds transferred to the Agricultural Research Service pursuant to the Department of Agriculture and Related Agencies Appropriation Act of 1964 for cost of production research and other related research designed to reduce surplus commodities held by the Corporation.

SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter act and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows (in thousands of dollars):

Item	1970 estimate	
	Gross obligations	Outlays (reimbursable)
(1) Sale of agricultural commodities for foreign currencies.....	273,813	121,613
(2) Sale of agricultural commodities for dollars on credit terms.....	503,500	438,700
(3) Commodities disposed of and other costs incurred in connection with donations abroad.....	364,548	364,548
(4) Bartered materials for supplemental stockpile.....	-----	-----
(5) Military housing (barter and exchange).....	-----	-----
(6) National Wool Act.....	58,803	58,803
(7) Grain for migratory waterfowl feed.....	40	-----
(8) Surplus grain for migratory birds.....	-----	-----
(9) Grading and classing activities ¹	-----	-----
(10) Research to increase domestic consumption of farm commodities ¹	-----	-----
(11) Defense activities ¹	-----	-----
(12) Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.....	-----	158
(13) Loans for agricultural conservation.....	35,000	-----

¹ Financial data included under respective appropriation item.

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Item	1970 estimate	
	Gross obligations	Outlays (reimbursable)
(14) Use of CCC facilities for ASCS programs:		
(a) Soil bank program ¹ -----	-----	-----
(b) Cropland conversion, agricultural conservation, and emergency conservation measures programs ¹ -----	-----	-----
(c) Cropland adjustment program ¹ -----	-----	-----
(d) Sugar program ¹ -----	-----	-----
(e) County office expenses ¹ -----	-----	-----
(15) Export credit sales (short term)-----	188,050	3,050
(16) Advance to Farmers Home Administration ² -----	-----	-----
Total-----	1,423,754	986,872

¹ Financial data included under respective appropriation item.² The estimates reflect a \$30 million nonexpenditure receipt in 1970 to repay advance made in 1968.

The Corporation receives appropriations or reimbursement for cost of these activities as described under each.

To the extent sufficient appropriations are not provided in advance, expenditures under the Agricultural Trade Development and Assistance Act of 1954, as amended, and investments in materials transferred to the supplemental stockpile, are made by the Corporation subject to reimbursement from subsequent appropriations authorized for such purpose.

Activities currently being carried out are as follows (see foreign assistance programs and special export programs for details of items (1)–(4)):

(1) *Sale of agricultural commodities for foreign currencies.*
(2) *Sale of agricultural commodities for dollars on credit terms.*

(3) *Commodities disposed of and other costs incurred in connection with donations abroad.*

(4) *Bartered materials for supplemental stockpile.*

(5) *Military housing (barter and exchange).*—During 1957, a contract was completed for the disposition of Corporation-owned commodities valued at \$50 million for the construction of military housing in France with foreign currencies obtained from this transaction. 10 U.S.C. 2681(b) as amended, provides for annual payment to the Corporation by the Department of Defense until liquidation of the amounts due for foreign currencies obtained under Public Law 480 for military housing. It is estimated that \$2 million will be applied against the amounts due under the French housing transaction in each of 1969 and 1970. Beginning in 1967, the Treasury Department has classified this as a nonexpenditure transaction. The agreement between the Commodity Credit Corporation and the Department of Defense provides that upon sale of any of the housing, the Corporation will receive the proceeds.

(6) *National Wool Act.*—Under the National Wool Act of 1954, as amended, incentive payments are being used to encourage the annual domestic production of about 300 million pounds of shorn wool. Support of prices of wool and mohair is mandatory. Incentive payments are made to eligible producers in order to bring the national average price received by all producers up to the announced incentive level which is determined in accordance with a formula specified in the act.

COST OF THE NATIONAL WOOL ACT

[Dollars in thousands]

Item	Fiscal year 1968 (actual)	Fiscal year 1969 (estimate)	Fiscal year 1970 (estimate)
Volume of marketings:			
Shorn wool (thousand pounds)-----	183,109	167,100	157,700
Unshorn lambs (thousand cwt.)-----	9,459	7,200	7,000
Mohair (thousand pounds)-----	32,440	27,200	27,200
Amount of payments:			
Shorn wool-----	47,975	45,100	41,000
Unshorn lambs-----	9,932	7,800	7,300
Mohair-----	11,516	8,800	7,500
Promotional and advertising program ¹ -----	(3,880)	(3,700)	(3,600)
Total payments-----	69,423	61,700	55,800
Administrative expenses-----	2,143	2,285	2,285
Interest expense-----	885	791	718
Total-----	72,451	64,776	58,803

¹ Deduction from producer payments for promotional advertising and selected marketing development activities.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70% of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual and estimated payments compared with this limitation are as follows (in thousands of dollars):

Item	1968 actual	1969 estimate	1970 estimate
70% of customs receipts on wool and wool manufactures, cumulative from Jan. 1, 1953, to end of preceding calendar year (estimate)-----	1,093,900	1,198,900	1,303,900
Cumulative incentive payments on marketings for preceding calendar year---	606,585	668,285	724,085
Balance of limitation available for payments on succeeding marketing years-----	487,315	530,615	579,815

Funds of the Commodity Credit Corporation are used to carry on this program. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year and to amounts expended in prior fiscal years not previously reimbursed, but not to exceed an amount equal to 70% of the gross receipts from duties collected on wool and wool manufactures during the calendar year preceding the fiscal year.

Estimated costs and appropriations to Commodity Credit Corporation during 1968, 1969, and 1970 are indicated in the following table (in thousands of dollars):

Item	1968 actual	1969 estimate	1970 estimate
Due at beginning of year-----	34,793	72,451	64,776
Costs for year:			
Program-----	71,566	63,985	58,085
Interest-----	885	791	718
Total due-----	107,244	137,227	123,579
Appropriation to Commodity Credit Corporation for the year-----	34,793	72,451	64,776
Appropriation 1969, 1970, and 1971-----	72,451	64,776	58,803

(7) *Grain for migratory waterfowl feed.*—To prevent damage of crops by migratory waterfowl, the Corporation

is directed to furnish to the Secretary of the Interior (7 U.S.C. 442-445) such grain acquired through price support operations and certified by Commodity Credit Corporation as available for such purposes or in such condition as to be undesirable for human consumption, as the Secretary of the Interior shall requisition. This appropriation item is included under that department.

(8) *Surplus grain for migratory birds.*—Under Public Law 87-152, approved August 17, 1961 (7 U.S.C. 448) the Secretary of the Interior may requisition grain of the Corporation to feed starving migratory birds. This appropriation item is included under that department.

(9) *Grading and classing activities.*—The Corporation may make advances to the Consumer and Marketing Service for classing and grading of agricultural commodities without charge to producers (7 U.S.C. 414a, 440). Such advances used for classing cotton and grading tobacco not placed under price support loan are repaid from an appropriation of the Consumer and Marketing Service.

(10) *Research to increase domestic consumption of farm commodities.*—The Department of Agriculture and Related Agencies Appropriation Act of 1964 authorized the transfer of not more than \$16 million from the appropriation Removal of surplus agricultural commodities (sec. 32) to the Corporation to be used to increase domestic consumption of surplus farm commodities, and provided for the transfer for such purposes thereafter of such sums not in excess of \$25 million in any one year, as may be approved by Congress. The 1965 appropriation act authorized the transfer of \$12,175 thousand of section 32 funds for this purpose. The Corporation transfers such funds to the Agricultural Research Service and Cooperative State Research Service to conduct the required research. For comparability, all transactions under this item are shown in the budget schedules for these two agencies (except expenditures).

(11) *Defense activities.*—Upon the declaration of a national emergency, the facilities, services, authorities and funds of the Commodity Credit Corporation may be used, as directed by the Secretary of Agriculture and in accordance with applicable provisions of law, to carry out responsibilities and functions assigned to the Secretary of Agriculture under the Defense Production Act of 1950, as amended, the Civil Defense Act, as amended, and such other defense legislation as may be enacted.

(12) *Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.*—The act of July 10, 1957 (71 Stat. 290), authorized the transfer of 50,000 bales of domestically grown cotton from the national stockpile to the Corporation for sale. Also, about 219,000 bales of cotton, both American-Egyptian and foreign grown, in the stockpile were made available to the Corporation for disposition under Public Law 87-548, approved July 25, 1962. The cotton is not recorded as a Corporation asset. Proceeds less costs incurred, including administrative expenses, are covered into the Treasury as miscellaneous receipts from time to time. No interest is paid by CCC for the use of the money prior to covering.

(13) *Loans for agricultural conservation.*—Under section 391(c) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1391(c)), the Corporation advances funds to the Secretary in amounts not to exceed \$50 million annually to purchase conservation materials and services. Repayments of the loans plus interest are made in the

succeeding fiscal year from funds appropriated for the agricultural conservation program.

(14) *Use of CCC facilities for Agricultural Stabilization and Conservation Service programs.*—Under the respective enabling legislation, the services, facilities, and authorities of the Corporation are used to make payments to producers under various programs administered by the Agricultural Stabilization and Conservation Service.

No disbursements are made unless funds have been received in advance from the applicable appropriation. Among these programs are: Soil bank, cropland conversion, agricultural conservation, cropland adjustment, Appalachia regional conservation, emergency conservation measures, and the Sugar Act program.

CCC sight drafts are issued by ASCS county offices for county operating expenses paid through local county committee bank accounts. The Corporation receives advances from the appropriation "Expenses, ASCS" to cover the sight drafts drawn.

(15) *Export Credit Sales (short-term).*—This program is described under Commodity Credit Corporation—Commodity Export Program on p. 153.

(16) *Advance to Farmers Home Administration.*—Under Public Law 90-328 (82 Stat. 169) CCC advanced \$30 million to the Emergency Credit Revolving Fund (7 U.S.C. 1966). This advance plus interest is to be reimbursed out of appropriations to the fund for 1970.

FINANCING

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made or held by lending agencies or other financial institutions or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on certificates of interest and lending agency obligations for the period the agencies have their funds invested.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964, on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after June 30 of the fiscal year in which such losses are realized.

The computation of the transfer from interest-bearing to non-interest-bearing capital is (in millions of dollars):

Item	1968	1969	1970
Realized deficit not previously reimbursed, start of year.	7,856	9,654	9,819
Less appropriations for year	1,400	3,188	6,216
Total non-interest-bearing, end of year	6,456	6,466	3,603

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

On the basis of the budgetary assumptions, the estimated requirements indicate no need for an increase in borrowing authority. Since there are so many uncontrollable factors involving crops which have not even been planted, it must be recognized that estimates are highly tentative.

POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF
JUNE 30

[In millions of dollars]

Item	1968 actual	1969 estimate	1970 estimate
Statutory borrowing authority-----	<u>14,500</u>	<u>14,500</u>	<u>14,500</u>
Deduct:			
Borrowings from Treasury-----	11,989	12,728	9,483
Obligations to purchase loans or certificates held by financial institutions (guaranteed by Commodity Credit Corporation)-----	923	1,435	1,945
Accrued interest on above obligations and certificates held by financial institutions-----	29	35	45
Total statutory borrowing authority in use-----	<u>12,941</u>	<u>14,198</u>	<u>11,473</u>
Net statutory borrowing authority available-----	<u>1,559</u>	<u>302</u>	<u>3,027</u>

Note.—A sufficient amount of the borrowing authority is required to be reserved to cover obligations to purchase notes and certificates of interest held by financial institutions and accrued interest thereon. Such obligations, however, as well as accounts payable, accrued liabilities, and other outstanding obligations not reflected on this table, do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Contract authorization.—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds which may become available to CCC. Any increase in obligations in excess of available fund resources is reported as a contract authorization in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authorization. The budget reflects an increase of \$1,006 million in 1968, a net increase of \$1,714 million in 1969, and a decrease of \$2,681 million in 1970.

Appropriations.—Under Public Law 87-155 (15 U.S.C. 713a-11, 12), annual appropriations are authorized for each fiscal year to reimburse the Commodity Credit Corporation for net realized losses incurred as of the close of each year.

The realized losses for the price support and related programs for 1968 were \$3,198 million, and the cumulative losses not yet appropriated for were \$9,654 million. It is estimated that an appropriation of \$6,215.9 million including \$1,057 million for the balance of the 1961 revaluation of inventory, would provide sufficient funds for the operations described for 1970. It would also leave a desirable operating margin to assure flexibility of operations in view of the volume of transactions handled.

The special activities are financed as indicated in the program description above. In addition to certain reimbursements for other agencies, appropriations are made for the National Wool Act (see above) and for foreign assistance and special export programs (see that heading on page 161).

Deficit.—The net realized losses of the Corporation have previously been reimbursed as follows (in thousands of dollars):

PRICE SUPPORT AND RELATED PROGRAMS

Realized losses, 1933 to 1968, inclusive-----	37,263,384
Reimbursements by the Treasury:	
Reimbursement of realized losses:	
Appropriations (20 times)-----	23,998,131
Note cancellations (6 times)-----	2,697,807
Less dividends paid to Treasury (4 times)-----	138,209
Total reimbursement for net realized losses-----	<u>26,834,147</u>
Other reimbursements:	
Appropriations (2 times)-----	541,916
Note cancellation (1 time)-----	56,239
Total other reimbursements-----	<u>598,155</u>
Reimbursement for costs of special milk, net-----	<u>177,037</u>
Total-----	<u>27,609,339</u>
Realized deficit, as of June 30, 1968, price support and related programs-----	<u>9,654,045</u>

SPECIAL ACTIVITIES

Realized losses, 1948 to 1968, inclusive-----	14,881,810
Excess amounts appropriated to reimburse cost of special activities-----	181,866
Reimbursements by the Treasury:	
Appropriations (20 times)-----	14,665,862
Note cancellations (4 times)-----	536,518
Total reimbursements-----	<u>15,202,380</u>
Realized deficit as of June 30, 1968, special activities, net-----	<u>138,704</u>

Capital and deficits, special activities.—Advances to the Corporation in excess of costs incurred, and costs incurred in excess of advances received are shown in the following table (in thousands of dollars):

Foreign assistance and special export programs:

Public Law 480:

	Excess of funds held by CCC				Deficit requiring subsequent funds			
	1967	1968	1969	1970	1967	1968	1969	1970
Title I: Sale of agricultural commodities for foreign currencies and for dollars on credit terms-----	233,213	181,214	117,913	-----	-----	24,201	-----	-----
Title II: Commodities disposed of and other costs incurred in connection with donations abroad-----	-----	-----	-----	-----	89,456	42,052	209,652	-----
Bartered materials for supplemental stockpile-----	3,538	650	-----	-----	-----	-----	1,500	-----
Subtotal-----	<u>236,751</u>	<u>181,864</u>	<u>117,913</u>	-----	<u>89,456</u>	<u>66,253</u>	<u>211,152</u>	-----
Deficit financed by CCC or excess funds held(—)-----	-----	-----	-----	-----	(-147,295)	(-115,611)	(93,239)	-----
Other programs:								
National Wool Act-----	-----	-----	-----	-----	34,793	72,451	64,776	58,803
Grain for migratory waterfowl feed (Interior)-----	-----	2	-----	-----	19	-----	-----	-----
Export credit sales (short-term)-----	-----	-----	-----	-----	-----	5,000	5,000	5,000
Subtotal-----	-----	<u>2</u>	-----	-----	<u>34,812</u>	<u>77,451</u>	<u>69,776</u>	<u>63,803</u>
Total-----	<u>236,751</u>	<u>181,866</u>	<u>117,913</u>	-----	<u>124,268</u>	<u>143,704</u>	<u>280,928</u>	<u>63,803</u>

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 estimate	1970 estimate
PRICE SUPPORT AND RELATED PROGRAMS			
Revenue.....	1,545,046	927,273	1,091,915
Expense.....	4,743,262	4,280,767	4,757,747
Net realized loss.....	-3,198,216	-3,353,494	-3,665,832
Increase (—) or decrease in provision for losses (unrealized):			
On commodities for sale.....	313,292	-107,470	-67,000
On loans receivable.....	-53,070	-13,259	5,836
On accounts receivable.....	-1,082	115	-----
Net loss for the year, price support and related programs.....	-2,939,076	-3,474,108	-3,726,996
Analysis of deficit:			
Deficit, start of year.....	-8,457,766	-9,997,117	-10,283,113
Appropriations (net): Reimbursement for net realized losses.....	1,399,725	3,188,112	6,215,934
Deficit, end of year:			
Realized.....	-9,654,045	-9,819,427	-7,269,325
Unrealized.....	-343,072	-463,686	-524,850
Total deficit, end of year, price support and related programs.....	-9,997,117	-10,283,113	-7,794,175
SPECIAL ACTIVITIES			
Revenue.....	275,181	266,040	281,040
Received from appropriations: Decrease in unearned receipts.....	54,885	63,952	117,913
Earned revenue.....	330,066	329,992	398,953
Expense.....	1,577,795	1,369,667	1,264,704
Net realized loss, special activities.....	-1,247,729	-1,039,675	-865,751
Increase (—) in provision for losses on export credit sales.....	-5,000	-----	-----
Net loss for the year, special activities.....	-1,252,729	-1,039,675	-865,751
Analysis of deficit:			
Deficit, start of year.....	-124,268	-143,704	-280,928
Appropriation: National Wool Act.....	34,793	72,451	64,776
Advances from foreign assistance programs and special export programs.....	1,198,500	830,000	1,018,100
Deficit, end of year:			
Realized.....	-138,704	-275,928	-58,803
Unrealized.....	-5,000	-5,000	-5,000
Total deficit, end of year, special activities.....	-143,704	-280,928	-63,803
Total deficit, Commodity Credit Corporation.....	-10,140,821	-10,564,041	-7,857,978

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 estimate	1970 estimate
Assets:				
Cash: Treasury balance.....	63,521	42,839	45,000	45,000
Investment in agency securities.....	87,924	82,054	76,054	70,054
Accounts receivable:				
Price support and related programs (net of provision for losses).....	176,208	165,709	137,000	137,000
Special activities: Stockpile cotton.....	52	77	50	-----
Selected assets: ¹ Price support and related programs:				
Commodities for sale, net of provision for losses:				
Agricultural commodities.....	1,287,268	658,015	890,341	1,039,870
Strategic and critical materials.....	3,475	997	-----	-----
Deferred and undistributed charges.....	5,887	5,988	5,500	3,000
Interest in amounts due from foreign governments and private trade entities under Public Law 480.....	610,510	894,268	1,352,483	1,787,806
Loans receivable, net of provision for losses:				
Price support and storage facility loans (held by Commodity Credit Corporation).....	487,981	1,341,842	1,280,958	488,176
Special activities (loan for agricultural conservation).....	45,000	35,000	35,000	35,000
Advance to Farmers Home Administration.....	-----	30,000	30,000	-----
Export credit sales program.....	261,324	291,998	359,448	362,498
Fixed assets, net.....	38,965	24,351	20,851	15,901
Total assets.....	3,068,115	3,573,138	4,232,685	3,984,305
Liabilities:				
Current liabilities:				
Price support and related programs:				
Obligations to redeem payment-in-kind certificates:				
Certificates not redeemed.....	5,187,247	6,155,778	7,310,768	8,509,868
Less: Advances on pooled certificates held by Commodity Credit Corporation.....	5,182,654	6,155,768	7,310,768	8,509,868
Certificates held by others.....	4,593	10	-----	-----
Other current liabilities.....	495,508	469,354	444,219	423,500
Total price support and related programs.....	500,101	469,364	444,219	423,500

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1967 actual	1968 actual	1969 estimate	1970 estimate
Liabilities—Continued				
Special activities:				
Obligation to finance research	13,889	221	-----	-----
Amounts due Treasury for stockpile cotton	1,149	854	208	-----
Advances from Agricultural Stabilization and Conservation Service Programs	90,747	78,558	53,600	47,900
Deferred interest in amounts due from foreign governments and private trade entities under Public Law 480	610,510	894,268	1,352,483	1,787,806
Total liabilities	1,216,495	1,443,265	1,850,510	2,259,206
Government equity:				
Price support and related programs:				
Interest-bearing capital (including \$100 million capital stock balance):				
Start of year	7,255,000	6,155,000	5,633,000	6,362,368
Transfer to/from non-interest-bearing status	570,984	-2,413,925	-10,105	2,862,440
Borrowings from Treasury (net)	-1,670,984	1,891,925	739,473	-3,245,226
End of year	6,155,000	5,633,000	6,362,368	5,979,582
Non-interest-bearing capital:				
Start of year	4,612,887	4,041,903	6,455,828	6,465,933
Transfer to/from interest-bearing status	-570,984	2,413,925	10,105	-2,862,440
End of year	4,041,903	6,455,828	6,465,933	3,603,493
Subtotal, capital and borrowings, end of year price support and related programs	10,196,903	12,088,828	12,828,301	9,583,076
Special activities: Non-interest-bearing capital:				
Start of year	190,019	236,751	181,866	117,913
Change in unearned receipts from appropriation	46,732	-54,885	-63,953	-117,913
End of year	236,751	181,866	117,913	-----
Total capital, end of year	10,433,654	12,270,694	12,946,214	9,583,076
Deficit: Price support and related programs:				
Net realized deficit	-7,855,554	-9,654,045	-9,819,427	-7,269,325
Net unrealized deficit	-602,212	-343,072	-463,686	-524,850
Total deficit, price support and related programs	-8,457,766	-9,997,117	-10,283,113	-7,794,175
Deficit: Special activities:				
Net realized deficit	-124,268	-138,704	-275,928	-58,803
Net unrealized deficit	-----	-5,000	-5,000	-5,000
Total deficit, special activities	-124,268	-143,704	-280,928	-63,803
Total deficit	-8,582,034	-10,140,821	-10,564,041	-7,857,978
Total Government equity	1,851,620	2,129,873	2,382,175	1,725,098

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)

Obligations other than liabilities: ¹				
Price support and related programs:				
Obligations to purchase loans or certificates held by lending agencies ²	1,021,096	923,452	1,434,909	1,944,709
Other commitments	1,864,253	2,164,462	2,651,796	2,790,407
Total obligations other than liabilities, price support and related programs	2,885,349	3,087,914	4,086,705	4,735,116
Special activities: Letters of commitment for Public Law 480	137,877	171,093	165,000	101,000
Total obligations other than liabilities	3,023,226	3,259,007	4,251,705	4,836,116
Unobligated balance, end of year	1,101,593	-----	-----	-----
Invested capital	2,129,897	2,388,191	2,622,098	1,944,445
Subtotal	6,254,716	5,647,198	6,873,803	6,780,561
Less:				
Undrawn authorization to expend public debt receipts	-4,403,096	-2,511,171	-1,771,698	-5,016,924
Unfunded contract authorization	-----	-1,006,154	-2,719,930	-38,538
Total Government equity	1,851,620	2,129,873	2,382,175	1,725,098

Note.—In addition to obligations other than liabilities, the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

¹ The changes in these items are reflected on the program and financing schedule.

² A sufficient amount of the borrowing authority is required to be reserved to cover obligations to purchase notes and certificates of interest held by financial institutions and accrued interest thereon. Such obligations, however, as well as accounts payable, accrued liabilities, and other outstanding obligations not reflected on this table, do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Object Classification (in thousands of dollars)

Identification code 05 48-4336-0-3-999	1968 actual	1969 est.	1970 est.
22.0 Transportation of things.....	183,749	253,353	201,293
25.0 Other services.....	43,341	50,172	47,541
Storage and handling.....	110,229	169,200	240,153
26.0 Supplies and materials: Cost of commodities sold or donated:			
Foreign assistance programs and special export programs.....	1,341,928	1,114,250	1,043,550
Other.....	1,420,849	944,280	1,071,390
31.0 Equipment.....	912	4,300	2,800
33.0 Investments and loans.....	2,322,448	2,367,252	1,857,895
41.0 Grants, subsidies, and contributions.....	2,565,397	2,850,032	3,085,048
43.0 Interest and dividends.....	275,949	308,044	330,081
93.0 Administrative expenses—see separate schedule.....	29,661	31,500	29,295
Total costs, funded.....	8,294,463	8,092,383	7,909,046
94.0 Change in selected resources.....	-395,851	1,223,539	731,440
99.0 Total obligations.....	7,898,612	9,315,922	8,640,486

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$31,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof. (15 U.S.C. 714-714p; 31 U.S.C. 841-871; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Program by activities:			
Price support, export, and related activities (program costs, funded) ¹	29,661	31,500	29,295
Financing:			
Unobligated balance lapsing ²	1,839	-----	-----
Reserve for contingencies.....	-----	-----	2,205
Limitation.....	31,500	31,500	31,500

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$12 thousand (1967 adjustments, -\$6 thousand); 1968, \$6 thousand; 1969, \$6 thousand; 1970, \$6 thousand.
² \$1,557 thousand returned to parent account, Commodity Credit Corporation fund.

Object Classification (in thousands of dollars)

Identification code 05-48-4336-0-3-999	1968 actual	1969 est.	1970 est.
25.0 Other services: Advanced to—			
“Expenses, Agricultural Stabilization and Conservation Service”.....	25,748	27,124	24,919
“Salaries and expenses, Foreign Agricultural Service”.....	1,682	2,012	2,012
“Consumer protective marketing and regulatory program, Consumer and Marketing Service”.....	2,231	2,364	2,364
93.0 Administrative expenses included in schedule for fund as a whole.....	-29,661	-31,500	-29,295
99.0 Total obligations.....	-----	-----	-----

FOREIGN ASSISTANCE PROGRAMS AND
SPECIAL EXPORT PROGRAMS

Facilities and funds of the Commodity Credit Corporation may by law be used in carrying out programs for exporting agricultural commodities. The laws also authorize appropriations to be made to cover costs of such programs. When funds become available, advances are made to the Corporation for estimated costs. If the amounts appropriated are greater than actual needs, the excess is used to reduce future appropriation requests. If the appropriations are less than actual needs, other Corporation funds may be used temporarily to finance the balance of authorized costs.

FOREIGN ASSISTANCE PROGRAMS

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended by the Food for Peace Act of 1966 (Public Law 89-808, approved Nov. 11, 1966), and by Public Law 90-436, approved July 29, 1968: Sale of agricultural commodities for foreign currencies (title I); sale of agricultural commodities for dollars on credit terms (title I); and commodities disposed of and other costs incurred in connection with donations abroad (title II).

Federal Funds

General and special funds:

PUBLIC LAW 480

For expenses during fiscal year [1969] 1970, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, [\$100,000,000: *Provided*, That any unexpended balances of appropriations heretofore available under this heading for title I of said Act may be merged with this appropriation] \$442,400,000; and (2) commodities disposed of and other costs incurred in connection with donations abroad, pursuant to title II of said Act, [\$200,000,000] \$574,200,000. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-48-2274-0-1-154	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Sale of agricultural commodities for foreign currencies and for dollars on credit terms (title I).....	1,134,841	927,100	841,313
2. Commodities disposed of and other costs incurred in connection with donations abroad (title II).....	344,596	375,600	364,548
Total program costs, funded.....	1,479,437	1,302,700	1,205,861
Changes in costs financed by balance in CCC and by receipts.....	-303,937	-472,700	-189,261
10 Total obligations (object class 25.0).....	1,175,500	830,000	1,016,600
Financing:			
21 Unobligated balance available, start of year.....	-100,000	-530,000	-----
24 Unobligated balance available, end of year.....	530,000	-----	-----
40 Budget authority (appropriation)....	1,605,500	300,000	1,016,600
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,175,500	830,000	1,016,600
90 Outlays.....	1,175,500	830,000	1,016,600

General and special funds—Continued

PUBLIC LAW 480—Continued

Sales of agricultural commodities for foreign currencies or for dollars on credit terms are made under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended by the Food for Peace Act of 1966 (Public Law 89-808 and Public Law 90-436).

The Commodity Credit Corporation finances all sales made pursuant to agreements concluded under title I. Sales are made to friendly countries—as defined in section 103(d) of the act—and must not displace expected commercial sales for cash dollars (103(n)).

No agreements may be entered into after December 31, 1970 (section 409, as amended). Agreements may not be made under title I in any calendar year which call for an appropriation to reimburse Commodity Credit Corporation in excess of \$1.9 billion, plus unused prior years' authorizations.

Whenever practicable, terms of agreements must require payment at time of delivery of not less than 5% of the purchase price in dollars or in currencies convertible to dollars. These initial payments will apply against costs to reflect a reduction in appropriation requests. On credit agreements under title I, the President is authorized to require payment upon delivery in dollars or foreign currencies of amounts needed for payment of U.S. obligations and certain other purposes.

Factors determining availability of commodities for disposition under Public Law 480 are productive capacity, domestic requirements, farm and consumer price levels, anticipated commercial exports, and adequate carryover. No commodity is available for disposition if the disposition thereof would reduce the domestic supply below that needed to meet domestic requirements, adequate carryover, and anticipated exports for dollars.

The Commodity Credit Corporation may finance the total ocean freight charges on U.S.-flag vessels in the case of dollar credit sales and "Sec. 103(b) convertible foreign currency" sales. Only the differential between U.S.-flag rates and world rates may be financed in the case of regular foreign currency sales.

1. *Sale of agricultural commodities for foreign currencies and for dollars on credit terms (title I).* *Sale of agricultural commodities for foreign currencies (title I).*—Sales of agricultural commodities for foreign currencies are made to countries unable to expand commercial purchases because of a lack of dollar exchange. Foreign currencies received in payment are deposited to the account of the U.S. Treasury and can be used only as stated in section 104. The dollar value of such deposits through June 30, 1968, amounted to \$11.9 billion.

Uses fall into two groups—those of benefit to the foreign country, mainly loans and grants to promote economic development and to support common defense, and those of benefit to the United States. The latter includes, among others, expenses of the U.S. Government abroad, agricultural market development, educational exchange, construction of military family housing, and sales of foreign currency to U.S. citizens and American tourists.

Foreign currencies for U.S. uses, certain foreign currency grants, and uses of foreign currency loan repayments are subject to the appropriation process. Sales agreements specify particular uses, and in those entered into after December 31, 1964, at least 20% of the foreign currencies

are required to be subject to the appropriation process, with certain exceptions. Such uses reduce dollar outflow and the deficit in the balance of payments of the United States. The Corporation is reimbursed for the dollar value of currencies so used. Proceeds from sales of foreign currencies and from dollar repayments of foreign currency loans are applied as a reduction in appropriation requests.

Section 509 of Public Law 86-500, approved June 8, 1960 (7 U.S.C. 1704b note) provides that at least 75% of the total cost of foreign military housing projects (unless otherwise specified) shall be paid from foreign currencies acquired under title I. Pursuant to section 2681(b) of title 10, U.S.C., as amended, the estimates reflect transfer to the Corporation of \$6 million each year to liquidate amounts due, including the French housing barter transaction discussed under Commodity Credit Corporation special activities. It is estimated that \$4 million will be applied against amounts due with a balance of \$42 million remaining unpaid as of June 30, 1970.

From inception through June 30, 1968, sales agreements have been signed with 53 countries. They cover sales of commodities at an export market value of over \$11.9 billion. Major items are wheat, cotton, and fats and oils.

The following table reflects costs incurred (in thousands of dollars):

<i>Fiscal year</i>	<i>Program expenditures</i>	<i>Interest</i>	<i>Total</i>
1955 to 1965.....	13,513,688	247,191	13,760,879
1966.....	1,287,834	-----	1,287,834
1967.....	1,067,751	-----	1,067,751
1968.....	784,810	-----	784,810
1969 (estimate).....	391,750	-----	391,750
1970 (estimate).....	297,813	-----	297,813
Cumulative totals.....	17,343,646	247,191	17,590,837
Deduct sales of currencies, loan repayments, and receipts from Defense Department.....			2,186,066
Net costs (foreign currency sales).....			15,404,771
Long-term credit sales financed from this appropriation.....			130,136
Total net costs financed from this appropriation.....			15,534,907
Appropriations through June 30, 1970.....			15,492,804
Unreimbursed costs, through June 30, 1970, representing amounts due from Defense Department (financed by CCC borrowing authority).....			42,103

Sale of agricultural commodities for dollars on credit terms (title I).—Sales of U.S. agricultural commodities under long-term dollar credit terms are also authorized. The act provides for a progressive shift from foreign currency sales to dollar credit sales, to be completed by December 31, 1971.

Agreements are made with friendly countries or with United States and foreign private trade. They may provide for delivery in annual installments for not more than 10 years from the date of the agreement subject to the availability of the commodity.

Payments are in dollars with interest at rates not less than the minimum required by section 201 of the Foreign Assistance Act of 1961, as amended, for loans made under that section. Payments are made in reasonable annual amounts over periods of not to exceed 20 years from the date of last delivery in each calendar year under the agreement, except that the first annual payment may be deferred for a period not later than 2 years after such date of last delivery. Interest is computed from the date of such last delivery. As payments are received each year, they are applied against current costs to reflect a reduction in the appropriation request. Private trade agreements

must provide for projects to establish improved storage or marketing facilities or otherwise encourage private economic enterprise in friendly countries.

To the extent that transition from foreign currency sales to dollar credit sales is not possible, transition to convertible foreign currency credit sales is authorized on terms which permit conversion to dollars at the exchange rate applicable to the sales agreement. Credit terms are to be no less favorable to the United States than those for development loans made under section 201 of the Foreign Assistance Act of 1961, as amended, which authorizes loans to be made on the basis of payment in 40 years with a 10-year grace period. Dollar payments, when received, will also be applied to reduce appropriation requests.

Total agreements made since inception to June 30, 1968, amount to \$1,384.2 million cost value, including ocean freight for shipment on U.S. ships. Major commodities were wheat, cotton, and oils and oilseeds. Payments for the period amount to \$155.2 million, of which \$120.8 million was applied to principal and the rest to interest.

The following table reflects costs incurred (in thousands of dollars):

Fiscal year	Program expenditures	Interest	Total
1962 to 1965.....	381,330	4,102	385,432
1966.....	274,594	-----	274,594
1967.....	221,676	-----	221,676
1968.....	350,031	-----	350,031
1969 (estimate).....	535,350	-----	535,350
1970 (estimate).....	543,500	-----	543,500
Cumulative totals.....	2,306,481	4,102	2,310,583
Deduct recoveries from foreign governments.....	-----	-----	324,232
Total costs.....	-----	-----	1,986,351
Foreign currency funds applied to long-term credit costs.....	-----	-----	-130,136
Appropriations through June 30, 1970.....	-----	-----	1,856,215
Amounts due from foreign governments June 30, 1970, to be applied against costs as collected and reduce subsequent appropriations....	-----	-----	1,787,806

The following table reflects the composition of the combined appropriations for 1968, 1969, and 1970 (in thousands of dollars):

Item	1968 actual	1969 estimate	1970 estimate
Expenses of shipments:			
Commodity costs:			
Foreign currency.....	740,422	354,750	267,800
Long-term credit.....	301,448	461,850	488,300
Total commodity costs.....	1,041,870	816,600	756,100
Ocean transportation:			
Foreign currency.....	44,388	37,000	30,013
Long-term credit.....	48,583	73,500	55,200
Total ocean transportation.....	92,971	110,500	85,213
Total foreign currency.....	784,810	391,750	297,813
Total long-term credit.....	350,031	535,350	543,500
Total, expenses of shipments.....	1,134,841	927,100	841,313
Deduct receipts:			
Proceeds from sales and use of currencies and loan repayments (foreign currency).....	-223,213	-200,000	-176,200
Payments from foreign governments, including interest, applied to reduce appropriation (long-term credit)....	-51,928	-66,000	-104,800

Total foreign currency.....	561,597	191,750	121,613
Total long-term credit.....	298,103	469,350	438,700
Total.....	859,700	661,100	560,313
Prior years' costs or funds brought or carried forward:			
1967 funds:			
Foreign currency.....	-80,396	-----	-----
Long-term credit.....	-152,817	-----	-----
1968 funds:			
Foreign currency.....	464,000	-464,000	-----
Long-term credit.....	239,214	-239,214	-----
1968 costs:			
Foreign currency.....	-24,201	24,201	-----
1969 funds:			
Foreign currency.....	-----	117,913	-117,913
Foreign currency funds applied to long-term credit costs:			
Foreign currency.....	-----	130,136	-----
Long-term credit.....	-----	-130,136	-----
Appropriation or estimate:			
Foreign currency.....	921,000	-----	3,700
Long-term credit.....	384,500	100,000	438,700
Total.....	1,305,500	100,000	442,400

2. *Commodities disposed of and other costs incurred in connection with donations abroad (title II).*—Available agricultural commodities are furnished to meet famine or other urgent or emergency relief needs. Also, commodities are furnished to promote economic and community development in friendly developing countries, to combat malnutrition, and for needy people, nonprofit school lunch, and preschool feeding programs. They are furnished through friendly governments and private or public agencies, including intergovernmental organizations such as the world food program. The Food for Peace Act, in amending title II, expressed the sense of Congress that other advanced nations should be encouraged to make increased contributions for the purpose of combating world hunger and malnutrition, and that to achieve this objective the United States should work to expand the United Nations' world food program.

The Agency for International Development is responsible for administering title II programs. However, Commodity Credit Corporation makes available the commodities or products requested for disposition under title II. Such commodities or products are made available from the Corporation's stocks of commodities or products acquired under its price support program or are purchased at market prices when it is determined to be in the best interest of the Government.

The Commodity Credit Corporation is authorized to pay with respect to commodities made available the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery to U.S. ports and ocean freight charges and general average contributions arising out of ocean transport.

Approximately \$7½ million each year may be used to buy foreign currencies accruing under title I of this act to meet costs (other than personnel and administrative costs of cooperating sponsors, distributing agencies, and recipient agencies) directed to community and other self-help activities designed to alleviate the causes for the need for such aid.

General and special funds—Continued

PUBLIC LAW 480—Continued

Through December 31, 1968, appropriations totaling \$4,300 million were authorized. No programs of assistance may be entered into after December 31, 1970, and none shall be undertaken under this title during any calendar year which call for an appropriation of more than \$600 million to reimburse the Corporation for costs incurred, including its investment, plus any amount by which programs of assistance undertaken under this title in the preceding calendar year have called or will call for appropriations in amounts less than authorized during the preceding year. Any incidental sales proceeds and proceeds from loss, damage, and other claims are applied against Commodity Credit Corporation costs to reflect a reduction in appropriation requests.

Since inception through June 30, 1968, transfer authorizations under title II have been issued for \$2,359 million worth of food, including ocean freight costs. Of this amount, \$973 million (41%) was for disaster relief of victims of floods, earthquakes, droughts, and plagues; \$217 million (9%) for refugee relief; \$17 million (1%) for other emergency assistance; \$272 million (12%) for child-feeding; \$660 million (28%) for economic development; and \$220 million (9%) for voluntary agency programs. Also, \$475 million was authorized for ocean freight costs on commodities shipped through nonprofit voluntary organizations and \$5 million for purchase of title I foreign currencies for self-help activities, making total authorizations of \$2,839 million for the 14 years this program has been in effect.

The following reflects the composition of the appropriations for 1968, 1969, and 1970 (in thousands of dollars):

Item	1968 actual	1969 estimate	1970 estimate
Expenses of shipments:			
Commodity Credit Corporation stocks	274,170	295,500	287,450
Ocean transportation.....	69,109	78,700	75,698
Total expenses of shipments.....	343,279	374,200	363,148
Purchase of foreign currencies for use in self-help activities.....	1,317	1,400	1,400
Total program costs.....	344,596	375,600	364,548
Prior years' costs or funds brought or carried forward:			
1967 funds.....	-100,000	-----	-----
1967 costs.....	89,456	-----	-----
1968 funds.....	8,000	-8,000	-----
1968 costs.....	-42,052	42,052	-----
1969 costs.....	-----	-209,652	209,652
Appropriation or estimate.....	300,000	200,000	574,200

The following reflects the costs incurred (in thousands of dollars):

Fiscal year	Program expenditures	Interest	Total
1955 to 1965.....	1,632,055	19,699	1,651,754
1966.....	222,519	-----	222,519
1967.....	335,886	-----	335,886
1968.....	344,596	-----	344,596
1969 (estimate).....	375,600	-----	375,600
1970 (estimate).....	364,548	-----	364,548
Cumulative totals.....	3,275,204	19,699	3,294,903
Appropriations through June 30, 1970.....	-----	-----	3,294,903

SPECIAL EXPORT PROGRAM

In addition to the Foreign assistance programs described, the Commodity Credit Corporation conducts a

special export program for bartered materials for the supplemental stockpile (7 U.S.C. 1856).

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C. 1856), \$1,500,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 05-48-2275-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Bartered materials for supplemental stockpile (cost—obligations) (object class 25.0).....	23,000	-----	1,500
Financing:			
40 Budget authority (appropriation).....	23,000	-----	1,500
Relation of obligations to outlays:			
71 Obligations incurred, net.....	23,000	-----	1,500
90 Outlays.....	23,000	-----	1,500

Under section 206 of the Agricultural Act of 1956 (7 U.S.C. 1856), the Commodity Credit Corporation transfers to the supplemental stockpile, which was established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, strategic and other materials acquired from the barter and exchange of agricultural commodities. This does not cover those acquired for the national stockpile or for other agencies on a reimbursable basis.

Appropriations are authorized for the value of the transfers based on the lower of cost to Commodity Credit Corporation or domestic market price. The estimates reflect the shift from stockpile procurement to reimbursable off-shore procurement through barter for other Government agencies and delivery of commodities under previously authorized contracts.

The following shows the composition of the appropriation (in thousands of dollars):

	1968 actual	1969 estimate	1970 estimate
Materials transferred to supplemental stockpile (program costs).....	25,888	2,150	-----
Prior years' costs or funds brought or carried forward:			
1967 funds.....	-3,538	-----	-----
1968 funds.....	650	-650	-----
1969 costs.....	-----	-1,500	1,500
Appropriation or estimate.....	23,000	-----	1,500

FOREIGN AGRICULTURAL RESEARCH AND DEVELOPMENT

Federal Funds

General and special funds:

INTEGRATED FOREIGN AGRICULTURAL DEVELOPMENT PROGRAM

For expenses necessary to carry out provisions of section 406 of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1736), to assist friendly developing countries to improve the efficiency of their agriculture, \$4,150,000, to remain available until expended: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2220, for the construction, alteration, and repair of buildings and improvements in such countries.

Program and Financing (in thousands of dollars)

Identification code 05-50-2800-0-1-152	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Agricultural research and development, costs—obligations.....	-----	-----	4,150
Financing:			
40 Budget authority (appropriation).....	-----	-----	4,150
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	4,150
72 Obligated balance, start of year.....	-----	-----	-----
74 Obligated balance, end of year.....	-----	-----	400
90 Outlays.....	-----	-----	3,750

This program is a new initiative in agricultural assistance that will produce a rapid and sustained rate of growth in the agriculture of developing nations.

The approach rests on the premise that improved farm production can be achieved only through the detailed planning and adoption of a system that provides a continuous flow of technology to farmers and to related business in an environment that is conducive to adoption. An effective system will be established by developing the private and public institutions needed for research, extension, and agribusiness activity and by supplementing existing technological and managerial capacity so as to operate this effectively.

The success of this program depends upon substantial self-help and the full participation of the American land-grant universities with their overseas experience, and the U.S. agribusiness community with its managerial experience. Food produced on American farms will provide payment for much of the work performed in foreign countries.

This effort will be carried out in accordance with the foreign policies of the United States.

Object Classification (in thousands of dollars)

Identification code 05-50-2800-0-1-152	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	-----	-----	110
12.1 Personnel benefits: Civilian employees.....	-----	-----	8
21.0 Travel and transportation of persons.....	-----	-----	52
22.0 Transportation of things.....	-----	-----	50
23.0 Rent, communications, and utilities.....	-----	-----	20
24.0 Printing and reproduction.....	-----	-----	20
25.0 Other services.....	-----	-----	3,300
26.0 Supplies and materials.....	-----	-----	90
31.0 Equipment.....	-----	-----	500
9.0 Total obligations.....	-----	-----	4,150

Personnel Summary

Total number of permanent positions.....	13
Average number of all employees.....	9
Average GS grade.....	10.7
Average GS salary.....	\$14,051

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided: (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

FEDERAL CROP INSURANCE CORPORATION

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, **[\$11,243,500]** \$12,000,000. (7 U.S.C. 1501-1519; 31 U.S.C. 841, 846-852, 866-868c, 869; *Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-52-2707-0-1-351	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Underwriting and actuarial analysis.....	1,392	1,539	1,539
2. Contract sales and servicing.....	7,408	8,197	8,689
3. Crop inspections and loss adjustments.....	1,650	1,772	1,772
Total program costs, funded ¹	10,450	11,508	12,000
Change in selected resources ²	36	-----	-----
10 Total obligations.....	10,486	11,508	12,000
Financing:			
22 Unobligated balance transferred from other accounts.....	-281	-----	-----
25 Unobligated balance lapsing.....	1	-----	-----
Budget authority.....	10,206	11,508	12,000
Budget authority:			
40 Appropriation.....	10,208	11,244	12,000
41 Transferred to other accounts.....	-2	-10	-----
43 Appropriation (adjusted).....	10,206	11,234	12,000
44.20 Proposed supplemental for civilian pay act increases.....	-----	274	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	10,486	11,508	12,000
72 Obligated balance, start of year.....	1,736	1,913	1,993
74 Obligated balance, end of year.....	-1,913	-1,993	-2,073
90 Outlays, excluding pay increase supplemental.....	10,310	11,154	11,920
91.20 Outlays from civilian pay act supplemental.....	-----	274	-----

¹ Includes capital outlay as follows: June 30, 1968, \$66 thousand; 1969, \$40 thousand; 1970, \$40 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$63 thousand; 1968, \$99 thousand; 1969, \$99 thousand; 1970, \$99 thousand.

This appropriation finances a major portion of the administrative and operating expenses of the Corporation under existing legislation. The budget for insurance operations financed from capital funds appears on the following pages.

Object Classification (in thousands of dollars)

Identification code 05-52-2707-0-1-351	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	5,179	5,669	5,764
11.3 Positions other than permanent.....	1,838	2,069	2,352
11.5 Other personnel compensation.....	17	26	26
Total personnel compensation.....	7,034	7,764	8,142
12.1 Personnel benefits: Civilian employees.....	559	593	604
21.0 Travel and transportation of persons.....	1,225	1,392	1,500
22.0 Transportation of things.....	30	26	26
23.0 Rent, communications, and utilities.....	656	629	629
24.0 Printing and reproduction.....	182	172	172
25.0 Other services.....	644	814	814
26.0 Supplies and materials.....	93	50	50
31.0 Equipment.....	63	68	63
99.0 Total obligations.....	10,486	11,508	12,000

General and special funds—Continued

ADMINISTRATIVE AND OPERATING EXPENSES—Continued

Personnel Summary

	1968 actual	1969 est.	1970 est.
Total number of permanent positions.....	682	665	661
Full-time equivalent of other positions.....	326	359	404
Average number of all employees.....	981	1,005	1,045
Average GS grade.....	6.7	7.3	7.4
Average GS salary.....	\$7,926	\$8,722	\$9,048

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed [[\$2,140,000]] \$1,648,000 of administrative and operating expenses may be paid from premium income. (7 U.S.C. 1516(a); 78 Stat. 933; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1968 actual	1969 est.	1970 est.
--	-------------	-----------	-----------

Program by activities:

Operating costs, funded:

1. Indemnities, by crop:

Apples.....	317	1,019	259
Barley.....	570	445	973
Beans.....	193	408	376
Citrus.....	4,478	2,223	2,345
Combined crops.....	1,008	53	447
Corn.....	7,788	5,592	7,544
Cotton.....	13,495	9,765	6,107
Flax.....	334	190	470
Grain sorghum.....	886	996	1,187
Grapes.....	90	86	116
Oats.....	298	304	746
Peaches.....	778	94	395
Peanuts.....	393	494	783
Peas.....	388	1,445	545
Potatoes.....	147	87	138
Raisins.....	21	50	430
Rice.....	19	42	63
Soybeans.....	5,312	3,065	4,116
Sugarbeets.....	347	274	710
Sugarcane.....	6	23	185
Tobacco.....	1,585	2,240	3,802
Tomatoes.....	29	45	48
Tung nuts.....	3	32	22
Reinsurance—Puerto Rico.....	-----	90	90
Wheat.....	16,707	14,989	13,600

Total indemnities..... 55,192 44,051 45,497

2. Inspection and adjustment costs..... 2,254 2,000 2,419

3. Administrative expenses..... 2,407 2,140 1,648

4. Other expenses and adjustments, net..... 238 392 406

Total program costs, funded—obligations..... 60,091 48,583 49,970

Financing:

14 Receipts and reimbursements from: Non-Federal sources:

Insurance premiums, by crop:

Apples.....	-365	-283	-289
Barley.....	-915	-1,028	-1,084
Beans.....	-304	-380	-419
Citrus.....	-1,635	-2,291	-2,613
Combined crops.....	-475	-493	-498
Corn.....	-8,252	-8,347	-8,407
Cotton.....	-3,502	-6,803	-6,805
Flax.....	-421	-512	-524
Grain sorghum.....	-1,161	-1,230	-1,323
Grapes.....	-89	-113	-129

Oats.....	-623	-803	-831
Peaches.....	-339	-404	-440
Peanuts.....	-719	-809	-873
Peas.....	-513	-522	-607
Potatoes.....	-138	-72	-154
Raisins.....	-339	-455	-479
Rice.....	-63	-63	-70
Soybeans.....	-4,178	-4,473	-4,587
Sugarbeets.....	-564	-633	-791
Sugarcane.....	-92	-176	-206
Tobacco.....	-4,183	-3,949	-4,237
Tomatoes.....	-45	-53	-54
Tung nuts.....	-20	-8	-24
Reinsurance—Puerto Rico.....	-----	-100	-100
Wheat.....	-14,598	-15,000	-15,156

Total premiums..... -43,533 -49,000 -50,700

Interest, other receipts, and adjustments..... 24

21 Unobligated balance available, start of year..... -37,713 -21,131 -21,548

24 Unobligated balance available, end of year..... 21,131 21,548 22,278

Budget authority.....

Relation of obligations to outlays:

71 Obligations incurred, net..... 16,582 -417 -730

72 Obligated balance, start of year..... 894

Receivables in excess of obligations, start of year..... -433 -411

74 Obligated balance, end of year..... -894

Receivables in excess of obligations, end of year..... 411 1,306

90 Outlays..... 15,255 888 165

The Federal Crop Insurance Corporation, a wholly-owned Government Corporation, was created on February 16, 1938 (7 U.S.C. 1501-1519), to carry out the provisions of the Federal Crop Insurance Act. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and providing the means for the research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance programs are developed and analyzed in the Washington headquarters office and are administered in the field by four area offices and 24 State offices. Sales and servicing of contracts at the county level is performed by private agents under contractual agreements with the Corporation and by Corporation employees hired on a permanent, part-time or WAE (when actually employed) basis. Detailed administrative and program accounting and statistical functions are performed by the National Service Office in Kansas City, Mo.

Budget program.—The program for fiscal year 1970 will provide crop insurance protection to more farmers amounting to approximately \$923 million on the following commodities: apples, barley, beans, citrus, combined crops, corn, cotton, flax, grain sorghum, grapes, oats, peaches, peanuts, peas, potatoes, raisins, rice, soybeans, sugarbeets, sugarcane, tobacco, tomatoes, tung nuts, and wheat. Also, the Corporation is reinsuring about 22% of the crop insurance written by the Commonwealth of Puerto Rico beginning with crop year 1968.

The following table indicates the scope of the insurance operations planned for 1969 and 1970, as compared with 1968. Amounts in the 1968 column are actual and pertain to the 1967 crop year. The 1969 column pertains to the 1968 crop year, and the 1970 column pertains to the 1969 crop year.

	1968 fiscal year (1967 crop year) actual	1969 fiscal year (1968 crop year) estimate	1970 fiscal year (1969 crop year) estimate
Number of States.....	38	39	39
Number of counties.....	1,363	1,395	1,425
Insurance in force beginning of fiscal year (thousands).....	\$776,460	\$889,465	\$922,930
Insured acreage (thousands).....	17,947	18,704	19,094
Number of crops insured.....	449,059	455,373	469,000
Premiums (thousands).....	\$43,533	\$49,000	\$50,700
Indemnities (thousands).....	\$55,192	\$44,051	\$45,497
Loss ratio.....	1.27	.90	0.90

Financing.—Capital stock of \$100 million is authorized to be subscribed by the United States. As of June 30, 1968, the Secretary of the Treasury held receipts for \$40 million of the authorized stock, leaving \$60 million unissued.

Funds from the issuance of capital stock provide working capital for the Corporation. Receipts which are for deposit to this fund come mainly from premiums paid by farmers for crop insurance. The principal payments from this fund are for: indemnities to insured farmers; the direct cost of adjusting crop losses; and a part of the administrative and operating expenses.

The annual appropriation for the major portion of the administrative and operating expenses of the Corporation is presented earlier in the budget.

No additional capital funds are being requested for fiscal year 1970 program operations based on the following assumptions: (1) The Corporation's gross income for the 1969 crop year will be approximately \$50,700 thousand, and (2) Crop losses occurring in crop year 1968 and/or 1969 will not be unusually heavy. If heavy losses occur and additional funds are necessary, the Corporation will submit a request for additional capital funds.

Operating results and financial condition.—As of June 30, 1968, the Corporation reflected a deficit of \$18.9 million which reduced the net capital to \$21.1 million from \$37.7 million reflected on June 30, 1967. Although premium income for crop year 1967 was higher than in the preceding year, indemnities for the 1967 crop year totaled \$55.2 million, exceeding premiums by \$11.7 million resulting in a loss ratio of 1.27 as compared with the 1966 loss ratio of 0.69.

Current estimates for crop year 1968 appear to be favorable. Premiums of \$49 million are estimated to exceed indemnities by \$4.9 million. For the crop years 1948 through 1967, premium income of \$465.1 million exceeded indemnity costs of \$445.9 million by \$19.2 million. Premium income exceeded indemnity costs in 11 years of the 20-year period.

The following table summarizes the insurance operations by commodities for 1968, 1969, and 1970:

NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS, BY COMMODITIES

[Fiscal years ending June 30, 1968, 1969, and 1970—in thousands of dollars]

	1968 actual (1967 crop year)	1969 estimate (1968 crop year)	1970 estimate (1969 crop year)
Apples.....	48	—736	30
Barley.....	345	583	111
Beans.....	111	—28	43
Citrus.....	—2,843	68	268
Combined crops.....	—533	440	51

Corn.....	464	2,755	863
Cotton.....	—9,993	—2,962	698
Flax.....	87	322	54
Grain sorghum.....	275	234	136
Grapes.....	—1	27	13
Oats.....	325	499	85
Peaches.....	—439	310	45
Peanuts.....	326	315	90
Peas.....	125	—923	62
Potatoes.....	—9	—15	16
Raisins.....	318	405	49
Rice.....	44	21	7
Soybeans.....	—1,134	1,408	471
Sugarbeets.....	217	359	81
Sugarcane.....	86	153	21
Tobacco.....	2,598	1,709	435
Tomatoes.....	16	8	6
Tung nuts.....	17	—24	2
Reinsurance—Puerto Rico.....		10	10
Wheat.....	—2,109	11	1,556
Premiums over indemnities.....	—11,659	4,949	5,203
Inspection and loss adjustment costs.....	—2,254	—2,000	—2,419
Administrative expenses charged to premium income.....	—2,407	—2,140	—1,648
Other income or expense, net.....	—262	—392	—406
Net income or loss (—) ..	—16,582	417	730

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Revenue.....	43,509	49,000	50,700
Expense.....	60,091	48,583	49,970
Net income or loss (—) for the year....	—16,582	417	730
Analysis of retained earnings:			
Retained earnings, start of year.....	—2,287	—18,869	—18,452
Retained earnings, end of year.....	—18,869	—18,452	—17,722

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance.....	37,280	22,025	21,137	20,972
Accounts receivable, net.....	19,449	22,911	23,940	25,232
Total assets.....	56,729	44,936	45,077	46,204
Liabilities:				
Accounts payable and accrued liabilities.....	958	2,301	2,130	2,527
Deferred credits.....	17,983	21,429	21,324	21,324
Provision for surety losses.....	75	75	75	75
Total liabilities.....	19,016	23,805	23,529	23,926
Government equity:				
Non-interest-bearing capital....	40,000	40,000	40,000	40,000
Retained earnings.....	—2,287	—18,869	—18,452	—17,722
Total Government equity.....	37,713	21,131	21,548	22,278

Analysis of Government Equity (in thousands of dollars)

Unobligated balance (total Government equity).....	37,713	21,131	21,548	22,278
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Note.—Excludes contingent liabilities representing estimated insurance coverage on 1968, 1969, and 1970 crops in the following amounts: 1968, \$889 million; 1969, \$923 million; and 1970, \$923 million.

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

Object Classification (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	93	111	112
11.3 Positions other than permanent.....	1,422	1,274	1,520
11.5 Other personnel compensation.....		2	2
Total personnel compensation.....	1,515	1,387	1,634
12.1 Personnel benefits: Civilian employees.....	70	64	72
21.0 Travel and transportation of persons.....	669	549	713
42.0 Insurance claims and indemnities.....	55,192	44,051	45,497
92.0 Undistributed (provision for doubtful accounts and adjustments of prior year expenses).....	238	392	406
93.0 Administrative expenses (see separate schedule).....	2,407	2,140	1,648
99.0 Total obligations.....	60,091	48,583	49,970

Personnel Summary

Total number of permanent positions.....	13	15	15
Full-time equivalent of other positions.....	241	207	240
Average number of all employees.....	254	222	255
Average GS grade.....	6.7	7.3	7.4
Average GS salary.....	\$7,926	\$8,722	\$9,048

ADMINISTRATIVE EXPENSES

Program and Financing (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1968 actual	1969 est.	1970 est.
Program by activities:			
Administrative expenses (costs—obligations).....	2,407	2,140	1,648
Financing:			
Unobligated balance lapsing.....	443		
Limitation.....	2,850	2,140	1,648

Object Classification (in thousands of dollars)

Identification code 05-52-4085-0-3-351	1968 actual	1969 est.	1970 est.
11.3 Personnel compensation: Positions other than permanent.....	539	389	47
12.1 Personnel benefits: Civilian employees.....	24	17	2
21.0 Travel and transportation of persons.....	213	151	16
25.0 Other services.....	1,631	1,583	1,583
93.0 Administrative expenses included in schedule for fund as a whole.....	-2,407	-2,140	-1,648
99.0 Total obligations.....			

Personnel Summary

Average number of all employees.....	91	63	7
Average GS grade.....	6.7	7.3	7.4
Average GS salary.....	\$7,926	\$8,722	\$9,048

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-52-3927-0-4-351	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Underwriting and actuarial analysis.....	3		
2. Contract sales and servicing.....	7		
3. Crop inspections and loss adjustments.....	2		
10 Total obligations.....	12		
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-12		
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
90 Outlays.....			

Object Classification (in thousands of dollars)

11.1 Personnel compensation: Permanent positions.....	11		
12.1 Personnel benefits: Civilian employees.....	1		
99.0 Total obligations.....	12		

Personnel Summary

Average number of all employees.....	1		
Average GS grade.....	6.7		
Average GS salary.....	\$7,926		

RURAL ELECTRIFICATION ADMINISTRATION

Federal Funds

General and special funds:

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, and to remain available without fiscal year limitation in accordance with section 3(e) of said Act, as follows: rural electrification program, [\$329,000,000] \$320,000,000, and rural telephone program, [\$120,000,000] \$123,300,000. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-56-3197-0-1-353	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Rural electrification.....	394,943	420,000	433,000
2. Rural telephone.....	100,057	108,000	122,000
Total program costs, funded.....	495,000	528,000	555,000

	Change in selected resources ¹	-25,072	-58,000	-85,000
10	Total obligations (object class 33.0)-----	469,928	470,000	470,000
	Financing:			
17	Recovery of prior year obligations-----	-1,012	-563	-----
21.47	Unobligated balance available, start of year-----	-82,752	-48,436	-27,999
24.47	Unobligated balance available, end of year-----	48,436	27,999	1,299
47	Budget authority (authorization to spend public debt receipts)---	434,600	449,000	443,300
	Relation of obligations to outlays:			
71	Obligations incurred, net-----	468,916	469,437	470,000
72.47	Obligated balance, start of year-----	1,191,366	1,165,282	1,106,719
74.74	Obligated balance, end of year-----	-1,165,282	-1,106,719	-1,021,719
90	Outlays-----	495,000	528,000	555,000

¹ Selected resources as of June 30 are as follows: Undisbursed loan obligations, 1967, \$1,191,366 thousand (1968 adjustments —\$1,012 thousand); 1968, \$1,165,282 thousand (1969 adjustments, —\$563 thousand); 1969, \$1,106,719 thousand; 1970, \$1,021,719 thousand.

The Administration conducts two capital investment programs: (a) the rural electrification program to provide electric service to farms and other rural establishments; and (b) the rural telephone program to furnish and improve telephone service in rural areas. Funds for making repayable loans are borrowed from the Secretary of the Treasury.

1. *Rural electrification.*—This capital investment program is financed through loans which bear 2% interest and must be repaid within a period not to exceed 35 years. Loans are also made for shorter periods at 2% interest to electrification borrowers to be reloaned to their consumers for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment, including machinery.

The 1970 budget request anticipates that a private source of supplementary financing will be available to partially satisfy the capital requirements of the rural electric systems. Loans from the supplementary source will be available to finance the capital requirements of the more viable rural electric systems. Enough direct Federal loan funds will be available to meet the capital requirements of the less viable rural electric systems.

STATUS OF THE ELECTRIFICATION PROGRAM

Program Financing

[In thousands of dollars]

Loan funds available:	1968 actual	1969 estimate	1970 estimate
New loan authorization-----	\$314,000	\$329,000	\$320,000
Carryover from prior year-----	77,573	41,774	25,950
Rescissions of prior year loans-----	199	176	-----
Total available-----	391,772	370,950	345,950
Less: Loans approved-----	349,998	345,000	345,000
Balance to next year-----	41,774	25,950	950

Program Statistics

[Dollars in thousands]

Cumulative net loans-----	\$6,642,684	\$6,987,508	\$7,332,508
Cumulative funds advanced-----	\$5,734,078	\$6,154,078	\$6,587,078
Unadvanced funds, end of year-----	\$908,606	\$833,430	\$745,430

Cumulative principal, repaid-----	\$1,991,268	\$2,149,368	\$2,307,068
Cumulative interest paid-----	\$949,268	\$1,032,268	\$1,121,268
Cumulative miles energized (thousands)-----	1,617	1,637	1,657
Cumulative consumers served (thousands)-----	5,929	6,079	6,229
Number of borrowers-----	1,100	1,102	1,104

2. *Rural telephone.*—This capital investment program is financed through loans which are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of the telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans bear 2% interest and must be repaid within a period not to exceed 35 years.

STATUS OF THE TELEPHONE PROGRAM

Program Financing

[In thousands of dollars]

Loan funds available:	1968 actual	1969 estimate	1970 estimate
New loan authorization-----	\$120,600	\$120,000	\$123,300
Carryover from prior year-----	5,179	6,662	2,049
Rescissions of prior year loans-----	813	387	-----
Total available-----	126,592	127,049	125,349
Less: Loans approved-----	119,930	125,000	125,000
Balance to next year-----	6,662	2,049	349

Program Statistics

[Dollars in thousands]

Cumulative net loans-----	\$1,499,674	\$1,624,287	\$1,749,287
Cumulative funds advanced-----	\$1,242,999	\$1,350,999	\$1,472,999
Unadvanced funds, end of year-----	\$256,675	\$273,288	\$276,288
Cumulative principal repaid-----	\$189,513	\$220,913	\$252,513
Cumulative interest paid-----	\$142,233	\$165,833	\$192,933
Route miles of line constructed or improved, cumulative (thousands)-----	437	457	477
Dial subscribers, new and improved service, cumulative (thousands) (estimate)-----	1,993	2,103	2,213
Number of borrowers-----	874	882	892

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
For the fiscal year:			
Lending operations:			
Interest revenue-----	93,306	99,310	106,350
Expense: Interest expense (statutory rates)-----	91,091	96,453	103,197
Net revenue-----	2,215	2,857	3,153
Administrative expenses (provided by annual appropriations): Salaries and expenses-----	12,615	13,439	13,440
Cumulative to end of fiscal year:			
Lending operations: Interest revenue-----	1,216,462	1,315,772	1,422,122
Expense:			
Interest expense (statutory rates)-----	1,143,834	1,240,287	1,343,484
Provision for possible losses on loans-----	9,090	9,090	9,090
Losses on foreclosed loans-----	44	44	44
Total expense-----	1,152,968	1,249,421	1,352,618
Net difference-----	63,494	66,351	69,504
Administrative expenses (provided by annual appropriations): Salaries and expenses-----	226,003	239,442	252,882

General and special funds—Continued

LOAN AUTHORIZATIONS—Continued

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance.....	94,204	64,201	10,001	10,047
Cash on hand.....	379	636	637	637
Loans, net.....	4,496,702	4,787,169	5,125,669	5,491,369
Travel advances.....	81	89	89	89
Accounts receivable:				
Interest receivable.....	131,315	124,953	117,663	107,913
Current receivables.....	15	6	6	6
Equipment, net.....	388	419	409	398
Total assets.....	4,723,084	4,977,473	5,254,474	5,610,459
Liabilities:				
Current.....	663	662	723	769
Accrued annual leave.....	1,399	1,382	1,382	1,382
Trust and deposit.....	5	4	4	4
Total liabilities.....	2,067	2,048	2,109	2,155
Government equity:				
Borrowings from Treasury.....	4,518,086	4,770,247	5,044,340	5,397,137
Appropriated administrative funds, net.....	212,420	225,067	238,496	251,925
Appropriated loan funds, net.....	142,620	142,620	142,620	142,620
Net difference between income and expense.....	61,279	63,494	66,351	69,504
Administrative expenses.....	-213,388	-226,003	-239,442	-252,882
Total Government equity.....	4,721,017	4,975,425	5,252,365	5,608,304

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, **[\$12,805,000]** **\$13,429,000.** (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-56-3100-0-1-353	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Administration of rural electrification program.....	7,039	7,380	7,380
2. Administration of rural telephone program.....	5,625	6,049	6,049
Total program costs, funded¹.....	12,664	13,429	13,429
Change in selected resources ²	-16		
10 Total obligations.....	12,647	13,429	13,429
Financing:			
22 Unobligated balance transferred from other accounts.....	-248		
25 Unobligated balance lapsing.....	58		
Budget authority.....	12,457	13,429	13,429
Budget authority:			
40 Appropriation.....	12,457	12,805	13,429
44.20 Proposed supplemental for civilian pay act increases.....		624	
Relation of obligations to outlays:			
71 Obligations incurred, net.....	12,647	13,429	13,429
72 Obligated balance, start of year.....	610	595	5949

74 Obligated balance, end of year.....	-595	-594	-630
77 Adjustments to expired accounts.....	1		
90 Outlays, excluding pay increase supplemental.....	12,664	12,833	13,366
91.20 Outlays from civilian pay act supplemental.....		597	27

¹ Includes capital outlay as follows: June 30, 1968, \$90 thousand; 1969, \$55 thousand; 1970, \$55 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$43 thousand; 1968, \$27 thousand; 1969, \$27 thousand; 1970, \$27 thousand.

The Administration assists electrification borrowers and potential borrowers to negotiate for adequate supplies of power on reasonable terms, and makes loans for the extension and improvement of electric and telephone service in rural areas. Business management and technical help is furnished borrowers where needed to protect the Government's loan security, to assure that construction and operation of their systems conform to approved standards and will provide continuous and reliable service and to facilitate the most effective use of resources to achieve program objectives.

Object Classification (in thousands of dollars)

Identification code 05-56-3100-0-1-353	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	10,186	10,948	10,950
11.3 Positions other than permanent.....	158	125	123
11.5 Other personnel compensation.....	3	3	3
Total personnel compensation.....	10,347	11,076	11,076
12.1 Personnel benefits: Civilian employees.....	810	870	871
21.0 Travel and transportation of persons.....	899	924	924
22.0 Transportation of things.....	32	30	30
23.0 Rent, communications, and utilities.....	194	169	169
24.0 Printing and reproduction.....	92	110	110
25.0 Other services.....	152	150	149
26.0 Supplies and materials.....	47	45	45
31.0 Equipment.....	75	55	55
99.0 Total obligations.....	12,647	13,429	13,429

Personnel Summary

Total number of permanent positions.....	995	997	997
Full-time equivalent of other positions.....	15	13	13
Average number of all employees.....	898	900	900
Average GS grade.....	10.1	10.1	10.1
Average GS salary.....	\$11,599	\$12,187	\$12,237

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-56-3997-0-4-353	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Administration of rural electrification programs.....	4	3	3
2. Administration of rural telephone program.....	3	2	2
3. Office of Economic Opportunity (Funds appropriated to the President).....	18	20	20
4. Agency for International Development (Funds appropriated to the President).....	2	5	5
10 Total program costs, funded—obligations.....	27	30	30

Financing:

Receipts and reimbursements from:

11	Federal funds.....	-22	-27	-27
14	Non-Federal sources (40 U.S.C. 481 (c)).....	-5	-3	-3

Budget authority.....

Relation of obligations to outlays:

71	Obligations incurred, net.....			
90	Outlays.....			

Object Classification (in thousands of dollars)

11.1	Personnel compensation: Permanent positions.....	20	25	25
12.1	Personnel benefits: Civilian employees.....	1	2	2
31.0	Equipment.....	5	3	3
99.0	Total obligations.....	27	30	30

Personnel Summary

Total number of permanent positions.....	1	1	1
Average number of all employees.....	1	1	1
Average GS grade.....	10.1	10.1	10.1
Average GS salary.....	\$11,599	\$12,187	\$12,237

FARMERS HOME ADMINISTRATION**Federal Funds****General and special funds:****RURAL WATER AND WASTE DISPOSAL GRANTS**

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), **[\$28,000,000]** \$52,000,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-2066-0-1-352		1968 actual	1969 est.	1970 est.
Program by activities:				
1.	Planning grants.....	3,738	4,500	7,000
2.	Development grants.....	25,631	30,000	31,200
	Total program costs, funded.....	29,369	34,500	38,200
	Change in selected resources ¹	-1,372	-6,500	13,800
10	Total obligations (object class 41.0).....	27,997	28,000	52,000
Financing:				
25	Unobligated balance lapsing.....	3		
	Budget authority	28,000	28,000	52,000
Budget authority:				
40	Appropriation.....	30,000	28,000	52,000
41	Transferred to other accounts.....	-2,000		
43	Appropriation (adjusted).....	28,000	28,000	52,000
Relation of obligations to outlays:				
71	Obligations incurred, net.....	27,997	28,000	52,000
72	Obligated balance, start of year.....	34,636	33,170	26,670
74	Obligated balance, end of year.....	-33,170	-26,670	-40,470
77	Adjustment in expired accounts.....	-94		
90	Outlays.....	29,369	34,500	38,200

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$34,636 thousand (1968 adjustment, -\$94 thousand); 1968, \$33,170 thousand; 1969, \$26,670 thousand; 1970, \$40,470 thousand.

Rural water and waste disposal grants.—This program is authorized by subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. It provides for planning grants to be made to public and private bodies with authority to prepare comprehensive plans for the development of water or sewer systems in rural areas which do not have funds available for such planning. In addition, development grants are made to associations including nonprofit corporations and public and quasi-public agencies to finance specific projects for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of the grant may not exceed 50% of the development cost of the project.

Public Law 90-488, approved August 15, 1968, increased the annual authority for making planning grants from \$5 million to \$15 million and for making development grants from \$50 million to \$100 million.

Development grants to associations may be made in connection with direct or insured loans for water and sewer systems described under the Farmers Home Administration direct loan account.

GRANT OBLIGATIONS

Planning grants:	1968 actual	1969 estimate	1970 estimate
Number of grants.....	463	450	595
Amount of grants (in thousands of dollars).....	\$5,000	\$4,500	\$7,000
Development grants:			
Number of grants.....	328	399	810
Amount of grants (in thousands of dollars).....	\$22,997	\$23,500	\$45,000

RURAL RENEWAL

For necessary expenses, including administrative expenses, in carrying out rural renewal activities under section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010, 1011(e)), **[\$1,600,000]** \$2,500,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-2003-0-1-352		1968 actual	1969 est.	1970 est.
Program by activities:				
1.	Loans for rural renewal and demonstration projects.....	1,950	1,087	2,100
2.	Technical assistance and operating expense.....	263	303	400
	Total program costs, funded.....	2,213	1,390	2,500
	Change in selected resources ¹	-573	252	
10	Total obligations.....	1,640	1,642	2,500
Financing:				
21	Unobligated balance available, start of year.....	-83	-42	
24	Unobligated balance available, end of year.....	42		
40	Budget authority (appropriation)...	1,600	1,600	2,500
Relation of obligations to outlays:				
71	Obligations incurred, net.....	1,640	1,642	2,500
72	Obligated balance, start of year.....	1,215	634	886
74	Obligated balance, end of year.....	-634	-886	-886
90	Outlays.....	2,222	1,390	2,500

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$1,207 thousand; 1968, \$634 thousand; 1969, \$886 thousand; 1970, \$886 thousand.

General and special funds—Continued

RURAL RENEWAL—Continued

Rural Renewal.—This program was authorized by section 102 of the Food and Agriculture Act of 1962. Loans are made to local public agencies and private nonprofit organizations for rural renewal development projects which are specifically related to conservation and land utilization. Each project will be an important component of the overall rural renewal plan previously developed to rebuild the economy of the designated area. To be eligible for designation as a rural renewal area, the locality must be one of chronic underemployment on farms and unemployment in the surrounding communities. The area must also be one in which agriculture or forestry contribute substantially to the economy. The 1970 request is to provide for continuation of program operations in designated project areas and make a beginning in about 5 additional areas.

Program operations include selection and designation of rural renewal areas, technical assistance to local public bodies or officials, or private nonprofit organizations in the preparation of an economic development plan, and counsel to local agencies and organizations for meeting legal requirements necessary for borrowing funds. The borrowing agency is designated by the State legislature or Governor to receive rural renewal loan funds and is vested with authority under State and local laws to borrow funds, buy and sell property, raise revenue, meet financial obligations and transact other necessary business functions.

Rural renewal loans are repayable in not more than 30 years with repayment of principal and interest deferred up to 5 years, if necessary. Loans bear interest at the average rate paid by the U.S. Treasury on obligations of similar maturity. The rate for 1969 is 3.256 percent.

Program administration.—The Farmers Home Administration has been assigned responsibility for the coordination, direction, and supervision of the rural renewal program. The principal administrative expenses are related to technical assistance, coordination of project plans and loan programs by the Farmers Home Administration. These expenses are estimated at \$274 thousand in 1969 and \$360 thousand in 1970. Administrative expenses allotted to the Economic Research Service will be \$29 thousand for 1969 and \$40 thousand for 1970.

Object Classification (in thousands of dollars)

Identification code 05-60-2003-0-1-352	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	188	224	295
12.1 Personnel benefits: Civilian employees.....	15	17	24
21.0 Travel and transportation of persons.....	15	16	20
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	11	10	13
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	3	3	4
26.0 Supplies and materials.....	1	1	1
31.0 Equipment.....	1	1	1
33.0 Investments and loans.....	1,377	1,339	2,100
Total obligations, Farmers Home Administration.....	1,613	1,613	2,460
ALLOTMENT TO ECONOMIC RESEARCH SERVICE			
11.1 Personnel compensation: Permanent positions.....	25	27	27
12.1 Personnel benefits: Civilian employees.....	2	2	2

21.0 Travel and transportation of persons.....	1	-----	2
24.0 Printing and reproduction.....	-----	-----	1
25.0 Other services.....	-----	-----	7
26.0 Supplies and materials.....	-----	-----	1
Total obligations, Economic Research Service.....	28	29	40
99.0 Total obligations.....	1,641	1,642	2,500

Personnel Summary

FARMERS HOME ADMINISTRATION

Total number of permanent positions.....	25	25	33
Average number of all employees.....	21	25	33
Average GS grade.....	7.1	7.2	7.3
Average GS salary.....	\$7,900	\$8,420	\$8,500

ALLOTMENT TO ECONOMIC RESEARCH SERVICE

Total number of permanent positions.....	3	3	3
Average number of all employees.....	3	3	3
Average GS grade.....	9.2	9.5	9.5
Average GS salary.....	\$10,334	\$11,384	\$11,552

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), [\$4,250,000] \$5,700,000, to remain available until expended. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-2004-0-1-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Financial assistance for low-rent domestic farm labor housing (program costs, funded).....	1,128	4,250	5,700
Change in selected resources ¹	1,572	1,965	-----
10 Total obligations (object class 41.0).....	2,700	6,215	5,700
Financing:			
21 Unobligated balance available, start of year.....	-1,165	-1,965	-----
24 Unobligated balance available, end of year.....	1,965	-----	-----
40 Budget authority (appropriation).....	3,500	4,250	5,700
Relation of obligations to outlays:			
71 Obligations incurred, net.....	2,700	6,215	5,700
72 Obligated balance, start of year.....	4,615	6,187	8,152
74 Obligated balance, end of year.....	-6,187	-8,152	-8,152
90 Outlays.....	1,128	4,250	5,700

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$4,615 thousand; 1968, \$6,187 thousand; 1969, \$8,152 thousand; 1970, \$8,152 thousand.

Rural housing for domestic farm labor.—Financial assistance in the form of grants is provided to public or private nonprofit organizations for low-rent housing and related facilities for domestic farm labor as authorized by the Housing Act of 1964.

Assistance not to exceed two-thirds of the total development cost may be provided for new structures and sites, and for the rehabilitation, alteration, conversion, or improvement of dwellings, dining halls, community rooms or buildings, and infirmaries used by domestic farm laborers. Such financial assistance may be made in connection with insured farm labor housing loans under the Rural Housing Insurance Fund.

GRANT OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of grants	5	40	38
Amount of grants (in thousands of dollars)	\$2,700	\$6,215	\$5,700

HOUSING FOR RURAL TRAINEES

For financial assistance for housing for rural trainees pursuant to section 522 of the Housing Act of 1949 (42 U.S.C. 1490b), \$5,000,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 05-60-2005-0-1-352	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Financial assistance for housing for rural trainees (program costs—obligations)			5,000
Financing:			
40 Budget authority (appropriation)			5,000
Relation of obligations to outlays:			
71 Obligations incurred, net			5,000
90 Outlays			5,000

Housing for rural trainees.—This program was authorized by section 1002 of the Housing and Urban Development Act of 1968 (Public Law 90-448) to augment and facilitate federally assisted training programs in rural areas. The legislation authorizes loans and grants to local organizations for housing and related facilities for trainees and their families while they are in training courses designed to improve their employment capability. Based upon determinations by those Federal agencies which are responsible for administering such training programs, housing assistance will be provided at existing rural training centers as well as at proposed sites for new rural training programs.

Object Classification (in thousands of dollars)

Identification code 05-60-2005-0-1-352	1968 actual	1969 est.	1970 est.
33.0 Investments and loans			500
41.0 Grants, subsidies, and contributions			4,500
99.0 Total obligations			5,000

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$4,000,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 05-60-2006-0-1-352	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Financial assistance for technical and supervisory assistance for mutual and self-help housing (program costs—obligations, object class 41.0)			4,000
Financing:			
40 Budget authority (appropriation)			4,000
Relation of obligations to outlays:			
71 Obligations incurred, net			4,000
90 Outlays			4,000

Mutual and Self-Help Housing.—Assistance under this program was authorized by section 1005 of the Housing and Urban Development Act of 1968 (Public Law 90-448). The grants are designed to provide technical assistance to permit an expansion of mutual and self-help housing programs under which groups of families build their own homes by mutually exchanging labor. It is estimated that 20 grants will be made in 1970 totaling \$4 million to local public agencies and nonprofit organizations who will provide technical staffs to assist 3,300 low-income families to build their homes by the self-help method.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921-1990) 1991, as amended, title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c), [and] the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), [\$57,980,000] and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$85,485,000, together with not more than \$2,250,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, as amended, and section 514(b)(3) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) to meet unusual or heavy work load increases: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended.

For an additional amount for "Salaries and expenses", including necessary expenses, not otherwise provided, for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended by sections 101(a), 201(a), respectively, of the Act of August 1, 1968 (Public Law 90-448), \$250,000. (Department of Agriculture and Related Agencies Appropriation Act, 1969; Supplemental Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-60-2001-0-1-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Administration of grant and direct and insured loan programs (program costs, funded) ¹	59,302	63,227	88,235
Change in selected resources ²	-902		
10 Total obligations	58,400	63,227	88,235
Financing:			
11 Receipts and reimbursements from:			
Federal funds:			
Advanced from the "Agricultural credit insurance fund"	-450	-2,250	-2,250
Advanced from "Loans, Farmers Home Administration, 1957-1967"	-500	-500	-500
22 Unobligated balance transferred from other accounts	-1,530		
25 Unobligated balance lapsing	21		
Budget authority	55,941	60,477	85,485

¹ Includes capital outlay as follows: 1968, \$170 thousand; 1969, \$200 thousand.
² Selected resources as of June 30 are as follows:

	1967	1968 adjust-ments	1968	1969	1970
Stores	162		190	190	190
Unpaid undelivered orders	1,665	16	750	751	751
Total selected resources	1,827	16	941	941	941

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-60-2001-0-1-352	1968 actual	1969 est.	1970 est.
Budget authority:			
40 Appropriation	55,988	58,230	85,485
41 Transferred to other accounts	-47	-53	
43 Appropriation (adjusted)	55,941	58,177	85,485
44.20 Proposed supplemental for civilian pay act increases		2,300	
Relation of obligations to outlays:			
71 Obligations incurred, net	57,450	60,477	85,485
72 Obligated balance, start of year	4,348	3,991	4,623
74 Obligated balance, end of year	-3,991	-4,623	-4,623
77 Adjustment in expired accounts	12		
90 Outlays, excluding pay increase supplemental	57,819	57,645	85,385
91.20 Outlays from civilian pay act supplemental		2,200	100

These moneys are used to administer the loan and grant programs of the Farmers Home Administration, including reviewing applications, making and collecting loans, and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

Object Classification (in thousands of dollars)

Identification code 05-60-2001-0-1-352	1968 actual	1969 est.	1970 est.
FARMERS HOME ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions	43,949	47,420	67,759
11.3 Positions other than permanent	2,409	2,418	2,450
11.5 Other personnel compensation	340	341	480
Total personnel compensation	46,698	50,179	70,689
12.1 Personnel benefits: Civilian employees	3,745	4,037	5,595
21.0 Travel and transportation of persons	3,626	4,089	5,578
22.0 Transportation of things	170	187	263
23.0 Rent, communications, and utilities	2,535	2,901	3,897
24.0 Printing and reproduction	243	277	372
25.0 Other services	822	926	932
26.0 Supplies and materials	279	316	429
31.0 Equipment	278	311	433
42.0 Insurance claims and indemnities	4	4	7
Total obligations, Farmers Home Administration	58,400	63,227	88,195

ALLOTMENT ACCOUNTS

11.1 Personnel compensation: Permanent positions			31
12.1 Personnel benefits: Civilian employees			3
25.0 Other services			6
Total obligations, allotment accounts			40
99.0 Total obligations	58,400	63,227	88,235
Obligations are distributed as follows:			
Farmers Home Administration	58,400	63,227	88,195
Office of the General Counsel			20
Economic Research Service			20

Personnel Summary

FARMERS HOME ADMINISTRATION

Total number of permanent positions	5,788	5,771	8,215
Full-time equivalent of other positions	754	765	765
Average number of all employees	6,364	6,453	8,520
Average GS grade	7.1	7.2	7.3
Average GS salary	\$7,900	\$8,420	\$8,500

ALLOTMENT ACCOUNTS

Total number of permanent positions			6
Average number of all employees			5
Average GS grade			8.2
Average GS salary			\$8,967

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

Agriculture:
Soil Conservation Service:
"Watershed works of improvement."
"Flood prevention."
"Resource conservation and development projects."
Funds appropriated to the President:
"Economic Opportunity Program."
"Appalachian Regional Development Programs."

General and special funds:

DIRECT LOAN ACCOUNT AND RURAL HOUSING DIRECT LOAN ACCOUNT

PAYMENT OF SALES INSUFFICIENCIES

Program and Financing (in thousands of dollars)

Identification code 05-60-2050-0-1-352	1968 actual	1969 est.	1970 est.
Financing:			
21 Unobligated balance available, start of year		-13,268	-10,854
23 Unobligated balance transferred to other accounts		2,414	7,732
24 Unobligated balance available, end of year	13,268	10,854	3,122
40 Budget authority (appropriation)	13,268		

Public enterprise funds:

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, [\$83,000,000] \$79,600,000; and operating loans, [\$275,000,000] \$250,000,000. (Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-60-4220-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
1. Interest on borrowings	1,268		7,000
2. Interest on participation certificates	35,089	57,255	45,905
3. Commission on sale of participation certificates	777	224	
4. Amortized discount on participation certificates	10	6	5
5. Costs incident to security for loans	18		
Total operating costs, funded	37,162	57,485	52,910

Capital outlay funded:

1. Real estate loans:			
Farm ownership loans.....	4,938	5,000	5,000
Soil and water loans.....	94,845	87,000	79,560
2. Operating loans.....	276,538	250,000	250,000
3. Watershed works of improvement loans.....	2,311	4,000	5,000
4. Flood prevention loans.....	60	1,000	500
5. Resource conservation and development loans.....	945	1,500	2,000
6. Judgements and collateral acquired.....	140	50	50
Total capital outlay, funded..	379,777	348,550	342,110
Total program costs, funded..	416,939	406,035	395,020
Change in selected resources ¹	-13,152	-2,716	-4,965
10 Total obligations.....	403,787	403,319	390,055
Financing:			
Receipts and reimbursements from:			
Federal funds:			
Investment income from participation sales fund.....	-6,446	-8,451	-1,385
14 Non-Federal sources:			
Repayments on loans.....	-302,499	-320,765	-303,000
Proceeds from sale of acquired property.....	-94	-110	-110
Payment of judgments.....	-245	-250	-200
Interest income.....	-50,793	-52,780	-54,007
Other revenue.....	-39	-25	-25
Unobligated balance available, start of year:			
21.48 Undrawn authorization to spend agency debt receipts.....		-225,000	
21.98 Fund balance.....	-531,367	-664,387	-658,119
22 Unobligated balance transferred from other accounts.....			-4,244
Unobligated balance transferred from participation sales fund.....		-176,000	-250,000
23 Unobligated balance transferred to other accounts.....	198,308	210,330	182,241
Unobligated balance available, end of year:			
24.48 Undrawn authorization to spend agency debt receipts.....	225,000		
24.98 Fund balance.....	664,387	658,119	448,794
25 Unobligated balance lapsing (redemption of participation certificates).....		176,000	250,000
48 Budget authority (authorization to spend agency debt receipts).....	600,000		
Relation of obligations to outlays:			
71 Obligations incurred, net.....	43,671	20,938	31,328
72 Obligated balance, start of year.....	34,991	5,703	4,224
73 Obligated balance transferred from participation sales fund.....	24,680	58,258	50,998
Obligated balance transferred to participation sales fund.....	-30,002	-50,923	-50,986
74 Obligated balance, end of year.....	-5,703	-4,224	-4,360
90 Outlays.....	67,638	29,752	31,204

¹ Balances of selected resources are identified on the statement of financial condition.

Farmers Home Administration direct loan account.—This account was established on October 16, 1961, pursuant to section 338(c) of the Consolidated Farmers Home Administration Act of 1961. Real estate and operating loans are made under the authorities of subtitles A and B of the act to farmers and ranchers and to associations unable to obtain credit from other sources at reasonable rates. The appropriation acts for 1968 and 1969 provided for making watershed works of improvement loans, flood prevention loans, and resource conservation and development loans from funds available in the direct loan account. Under Public Law 90-488, farm ownership and operating loans may include funds for enterprises needed to supple-

ment farm income and loans may be made to finance outdoor recreational enterprises or to convert to recreational uses existing farming or ranching operations. Loans made under these and similar prior authorities are reported and accounted for in this account.

In 1969, the total for direct loans reflected in the following schedules is \$345.8 million. In 1970, the total for these loans is \$337.1 million. It is proposed to carry out the estimated loan program through utilization of receipts to the direct loan account representing collections on loans outstanding and through a sale of assets in 1969 and prior years under the Participation Sales Act of 1966. No new borrowing authorization is estimated for 1970.

1. *Real estate loans.*—(a) *Farm ownership loans.*—Direct and insured loans are made to farmers and ranchers for acquiring, enlarging, or improving farms, including dwellings and farm buildings; for financing land and water development, use and conservation; for developing recreational or other nonfarm enterprises; for forestry development; for refinancing indebtedness; and for loan closing costs. Loans are confined to farms which are not larger than family farms and cannot exceed the normal value of the farm or \$60 thousand whichever is the lesser. The loan limitation includes the unpaid indebtedness against the farm or other security.

FARM OWNERSHIP LOANS—OBLIGATIONS

[Dollars in thousands]

	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	35,264		45,000		50,000	
Direct loans.....	370	\$4,999	450	\$5,000	430	\$5,000
Insured loans.....	10,444	200,000	16,050	295,000	19,700	360,000

(b) *Recreation loans.*—Insured recreation loans are made to individual farmers and ranchers for converting all or a portion of the farms or ranches they own or operate to outdoor income-producing recreation enterprises which will supplement or supplant farm income and permit carrying on sound and successful operations.

RECREATION LOANS TO INDIVIDUALS—OBLIGATIONS

[Dollars in thousands]

	1969 estimate		1970 estimate	
	Number	Amount	Number	Amount
Number of applications.....	2,000		3,000	
Insured loans.....	750	\$15,000	750	\$15,000

(c) *Soil and water loans to individuals and association loans.*—Direct and insured loans are made to farmers, ranchers and nonoperator owners for land and water development, use, and conservation. Direct and insured loans are made to public and nonprofit associations for the effective development and utilization of water supplies and waste disposal systems and for the improvement of land by soil and water conserving facilities and practices. Loans to associations also are made for shifts in land use including grazing, the development of recreational facilities, and for irrigation development. Direct land conservation and development loans to individuals are made in the Appalachian region to establish and carry out land stabilization, conservation, and erosion control practices. There is no limitation on the size of farms that may be improved with loans to individual farmers. For loans to individuals, a loan cannot exceed the normal value of the farm or \$60 thousand whichever is the lesser. The loan limitation includes the unpaid indebtedness against the farm or other security. For loans to associations, the unpaid principal

Public enterprise funds—Continued

DIRECT LOAN ACCOUNT—Continued

indebtedness, together with the amount of any grant assistance, is limited to \$4 million. Loans to associations may be made to serve residents of open country and rural towns and villages of not more than 5,500 population, which are not part of an urban area.

The actual numbers and amounts of loan obligations for fiscal year 1968 and estimates for 1969 and 1970 are as follows:

SOIL AND WATER AND LAND CONSERVATION AND DEVELOPMENT (APPALACHIA) LOANS TO INDIVIDUALS AND ASSOCIATION LOANS—OBLIGATIONS

	[Dollars in thousands]					
	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	4,983	-----	8,000	-----	10,000	-----
Direct loans:						
To individuals.....	363	\$1,000	1,200	\$3,000	125	\$250
To individuals (Appalachia).....	46	49	6,890	6,890	-----	-----
To associations:						
Water and sewer systems.....	531	79,522	500	74,000	545	74,000
Recreation facilities.....	-----	-----	2	100	2	100
Irrigation.....	7	473	9	900	7	250
Grazing.....	2	4	-----	-----	-----	-----
Insured loans:						
To individuals.....	964	4,998	500	2,500	450	2,250
To associations:						
Water and sewer systems.....	477	83,070	578	110,000	630	110,000
Recreation facilities.....	226	23,899	200	30,000	227	30,000
Grazing.....	97	13,105	170	25,000	157	25,000
Irrigation.....	35	1,926	70	2,500	65	2,250

Estimates for fiscal year 1969 and fiscal year 1970 are subject to minor shifts between some categories.

Farm ownership, recreation, soil and water, and land conservation and development loans to individuals and associations loans are repayable in not more than 40 years and bear interest not in excess of 5%. Insured loans are made through the Agricultural Credit Insurance fund with funds advanced by private lenders. Annual payments of principal and interest to lenders are fully guaranteed. The Administration services these insured loans, makes collections, and pays the lenders.

2. *Operating loans.*—Direct loans are made to farmers and ranchers for costs incident to reorganizing a farming system for more profitable operations; for a variety of essential farm expenses such as the purchase of livestock, farm equipment, feed, seed, fertilizer, and farm supplies; and other essential farm operating expenses, including cash rent, and costs incident to the production and harvesting of forestry products; for financing land and water development, use and conservation; for developing recreational or other nonfarm enterprises; for refinancing indebtedness; for other farm and home needs; and for loan closing costs. Loans are confined to operators of not-larger-than-family farms. The outstanding principal loan balance for operating loans to any individual is limited to \$35 thousand. Loans bear interest at a rate based on the average rate paid by the U.S. Treasury on obligations with a similar maturity period. The rate for the 1969 fiscal year is 5½%. Loans may be made for periods up to 7 years, but may be renewed for not more than 5 additional years. Loans are secured by crop and chattel liens and, when necessary, by real estate mortgages.

FARM OPERATING LOANS—OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of applications.....	75,135	85,000	100,000
Number of loans.....	52,321	51,500	50,500
Amount of loans (in thousands of dollars).....	275,000	250,000	250,000

3. *Watershed works of improvement loans.*—Direct loans are made to local sponsoring organizations to help finance their share of the cost of installing planned works of improvement in approved watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available.

WATERSHED WORKS OF IMPROVEMENT LOANS—OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of applications.....	50	55	85
Number of loans.....	17	18	25
Amount of loans (in thousands of dollars).....	4,800	3,200	5,000

4. *Flood prevention loans.*—Direct loans are made to local sponsoring organizations to help finance their share of the cost of installing planned works of improvement in approved flood prevention projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available.

FLOOD PREVENTION LOANS—OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of applications.....	7	29	4
Number of loans.....	3	12	5
Amount of loans (in thousands of dollars).....	200	1,200	500

5. *Resource conservation and development loans.*—Direct loans are made to local sponsoring organizations and to individuals, when needed, to help finance their share of the cost of installing planned works of improvement in approved resource conservation and development projects. Loans are repayable in not more than 30 years, with repayment of principal and interest deferred up to 5 years, if necessary.

RESOURCE CONSERVATION AND DEVELOPMENT LOANS—OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of applications.....	48	50	75
Number of loans.....	21	15	20
Amount of loans (in thousands of dollars).....	1,500	1,500	2,000

The new obligational authority required for Insufficiencies is computed as follows (in thousands of dollars):

	1968 actual	1969 estimate	1970 estimate
Interest accrued on participation certificates.....	35,089	57,255	45,905
Participation sales expenses.....	1,827	230	5
Interest accrued on an equal amount of loans in the pool.....	—23,512	—33,481	—25,575
Insufficiency.....	13,404	24,004	20,335
Financed by:			
Investment income from participation sales trust fund.....	—6,446	—8,451	—1,385
Retained earnings reserved to meet insufficiencies.....	—6,958	—15,553	—14,706
Transfers from other accounts.....	-----	-----	—4,244
New obligational authority required.....	-----	-----	-----

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue.....	53,996	57,078	58,028
Investment income from participation sales fund (net).....	6,446	8,451	1,385
Gross operating income.....	60,442	65,529	59,413
Expense:			
Operating expense.....	17,294	14,378	44,423
Interest on participation certificates.....	35,089	57,255	45,905
Commission on sale of participation certificates.....	777	224	-----
Amortized discount on participation certificates.....	10	6	5
Total expense.....	53,170	71,863	90,333
Net operating income or loss.....	7,272	-6,334	-30,920
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash.....	94	110	110
Loans receivable.....	448	450	500
Total proceeds from sale.....	542	560	610
Net book value of assets sold.....	537	510	560
Nonoperating income.....	5	50	50
Net income or loss for year.....	7,277	-6,284	-30,870
Analysis of retained earnings:			
Retained earnings, start of year.....	101,673	108,950	102,666
Transfer to meet insufficiencies.....	-----	-----	4,244
Retained earnings, end of year.....	108,950	102,666	83,040
Reserved for insufficiencies on participation certificates.....	48,792	39,909	25,203
Unreserved.....	60,158	62,757	57,837

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance.....	566,357	670,090	662,343	453,154
Accounts receivable, net.....	42,258	45,631	46,309	47,265
Loans receivable, net.....	1,049,415	1,130,054	1,151,484	1,162,645
Acquired security or collateral.....	571	299	309	269
Land and improvements.....	35	39	39	39
Judgments, net.....	647	580	533	508
Total assets.....	1,659,283	1,846,693	1,861,017	1,663,880
Liabilities:				
Current.....	14,403	37	2,103	7,612
Interest collections in escrow for trustee.....	-----	1,603	1,452	2,000
Participation certificates outstanding.....	488,000	863,000	912,000	662,000
Principal collections in escrow for trustee.....	-----	8,522	16,672	13,572
Principal payments to be applied to redemption of participation certificates.....	-33,440	-228,960	-271,440	-200,581
Government equity:				
Interest-bearing capital.....	597,960	597,960	597,960	597,960
Non-interest-bearing capital:				
Capitalization of assets, net:				
Start of year.....	477,226	483,587	488,481	492,504
Capitalized assets from FHA—Other.....	6,361	4,894	4,023	5,673
End of year.....	483,587	488,481	492,504	498,177
Appropriations.....	7,100	7,100	7,100	7,100
Retained earnings:				
Reserved to cover insufficiencies on participation certificates.....	42,804	48,792	39,909	20,959

Transfer to meet insufficiencies.....

Unreserved.....	58,869	60,158	62,757	4,244
Total Government equity.....	1,190,320	1,202,491	1,200,230	1,179,277

Analysis of Government Equity (in thousands of dollars)

Undisbursed loan obligations ¹	62,843	49,601	46,891	41,931
Undisbursed obligations to pay costs chargeable to borrowers accounts ¹	3	2	2	2
Unobligated balance.....	531,366	664,387	658,119	448,794
Unamortized discount.....	-----	91	85	80
Participation certificates outstanding less principal collections held by trustee.....	-454,560	-634,040	-640,560	-461,419
Principal collections in escrow for trustee.....	-----	-8,522	-16,672	-13,572
Invested capital and earnings.....	1,050,667	1,130,971	1,152,365	1,163,461
Total Government equity.....	1,190,320	1,202,491	1,200,230	1,179,277

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-60-4220-0-3-352	1968 actual	1969 est.	1970 est.
25.0 Other services.....	878	224	-----
33.0 Investments and loans.....	366,552	345,840	337,150
43.0 Interest and dividends.....	1,268	-----	7,000
Interest on participation certificates.....	35,039	57,255	45,905
99.0 Total obligations.....	403,787	403,319	390,055

RURAL HOUSING DIRECT LOAN ACCOUNT

For direct loans and related advances pursuant to section 518(d) of the Housing Act of 1949 (42 U.S.C. 1488), **[\$30,000,000]** \$37,000,000 shall be available from funds in the rural housing direct loan account. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-4221-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
1. Administrative expense.....	500	500	500
2. Interest on borrowings.....	15,129	8,675	7,700
3. Interest on participation certificates.....	9,520	14,563	13,190
4. Commission on sales of participation certificates.....	330	-----	-----
5. Amortized discount on participation certificates.....	20	10	10
6. Costs incident to security for loans.....	9	-----	-----
7. Rural housing contribution.....	3	-----	-----
Total operating costs, funded.....	25,511	23,748	21,400
Capital outlay, funded:			
Building loans.....	9,939	25,000	32,000
Rural rental housing loans.....	4,366	5,000	5,000
Judgments and collateral acquired.....	16	1	2
Total capital outlay, funded.....	14,322	30,001	37,002
Total program costs, funded.....	39,833	53,749	58,402
Change in selected resources ¹	752	-10	-10
10 Total obligations.....	40,585	53,739	58,392

¹ Balances of selected resources are identified on the statement of financial condition (analysis of Government equity).

Public enterprise funds—Continued

RURAL HOUSING DIRECT LOAN ACCOUNT—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-60-4221-0-3-352		1968 actual	1969 est.	1970 est.
Financing:				
Receipts and reimbursements from:				
11	Federal funds: Investment income from participation sales fund.....	-486	-1,957	-154
14	Non-Federal sources:			
	Repayment on loans.....	-48,630	-45,000	-43,600
	Payment of judgments.....	-1	-2	-4
	Proceeds from sale of acquired property.....	-82	-85	-60
	Interest income.....	-25,688	-24,290	-23,985
	Other revenue.....	-9	-8	-9
Unobligated balance available, start of year:				
21.47	Authorization to spend public debt receipts.....			-107,710
21.98	Fund balance.....	-264,963	-433,014	-321,491
22	Unobligated balance transferred from other accounts.....		-2,414	-3,488
	Unobligated balance transferred from participation sales fund.....		-18,000	-18,000
23	Unobligated balance transferred to other accounts.....	17,057	24,409	23,405
Unobligated balance available, end of year:				
24.47	Authorization to spend public debt receipts.....		107,710	107,710
24.98	Fund balance.....	433,014	321,491	312,272
25	Unobligated balance lapsing (redemption of participation certificates).....		18,000	18,000
Budget authority.....		150,797	579	1,278
Budget authority:				
40	Appropriation.....	797	579	1,278
48	Authorization to spend agency debt receipts.....	150,000		
Relation of obligations to outlays:				
71	Obligations incurred, net.....	-34,311	-17,603	-9,420
72	Receivables in excess of obligations, start of year.....	-3,334	-775	-2,533
73	Obligated balance transferred from participation sales fund.....	4,511	15,161	13,190
	Obligated balance transferred to participation sales fund.....	-5,935	-13,235	-13,175
74	Receivables in excess of obligations, end of year.....	775	2,533	2,172
90	Outlays.....	-38,294	-13,919	-9,766

Rural housing direct loan account.—This account was established in 1965 pursuant to section 518 of title V of the Housing Act of 1949, as amended. Rural housing direct loans are made on farms, in the open country, and in towns of not more than 5,500 population that are rural in character. In the case of applicants who are deficient in repayment ability, cosigners on promissory notes are permitted.

In addition to building loans to individuals, rural housing direct loans are also made to private nonprofit corporations and consumer cooperatives to provide modest cost rental or cooperative housing and related facilities.

Loans are made only to applicants unable to obtain housing credit from other sources upon terms and conditions which they reasonably could be expected to repay.

In addition to direct loans, building loans to individuals, farm labor housing loans, and rural rental housing loans, advanced by private lenders will be insured. Contingent liabilities for these insured loans are reflected in the rural housing insurance fund schedules.

1. *Low-to-moderate income loans.*—Loans of \$1,000 or less are made at an interest rate of 5½% and are repayable in not more than 10 years when the loan cannot be made on an insured basis. Disaster loans without a limit as to amount are made at 3% interest to provide for repair or replacement of farm or rural dwellings, farm service buildings and related facilities damaged by a natural disaster. These loans are repayable in not more than 33 years and are made to farm owners, to owners of other real estate in rural areas, to long-term farm leaseholders and to other rural residents. Loans are made to construct, repair, or replace dwellings and essential farm service buildings and may include funds to buy a house, farm service buildings and a building site.

2. *Very low-income housing repair loans.*—Repair and improvement loans not in excess of \$1,500 are made to very low-income families who are owners of farms or nonfarm rural property to repair or improve their dwellings in order to make them safe and sanitary and to remove health hazards to the families and the community. These loans are made at 1% interest and are repayable in not more than 10 years.

3. *Rural rental housing loans.*—Loans are made to private nonprofit corporations and consumer cooperatives to provide modest cost rental or cooperative housing and related facilities for elderly persons in rural areas with low or moderate incomes or other persons with low incomes in rural areas. These loans which bear 3% interest and are repayable in not more than 50 years are generally restricted to existing borrowers who need subsequent loans.

RURAL HOUSING LOAN OBLIGATIONS

[Dollars in millions]

	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	128,332	---	150,000	---	200,000	---
Direct loans:						
Low-to-moderate income loans ¹	1,652	\$5	2,600	\$7	2,600	\$7
Very low-income housing repair loans.....	4,804	5	18,150	18	25,500	25
Rural rental housing loans ¹	58	5	100	5	100	5
Total, direct.....	6,514	15	20,850	30	28,200	37
Insured loans:						
Farm labor housing loans ¹	31	4	150	15	150	15
Rural rental housing loans ¹	239	8	450	20	550	25
Low-to-moderate income building loans (individuals) ¹	43,933	414	50,400	438	136,840	1,119
Above moderate income building loans (individuals).....	3,938	50	3,400	40	7,850	100
Total, insured.....	48,141	476	54,400	513	145,390	1,259

¹ Classified as publicly assisted housing commitments.

Estimates for fiscal years 1969 and 1970 are subject to minor shifts between some categories.

RELATIONSHIP OF COMMITMENTS TO HOUSING UNITS CONSTRUCTED, PURCHASED OR REPAIRED¹

[Housing units]

	Total com- mitments	Year of construction start		
		1969	1970	After 1970
Commitments outstanding June 30, 1968:				
Publicly assisted housing:	6,340	6,310	30	-----
Above moderate income housing:	-----	-----	-----	-----
Commitments issued in 1969:				
Publicly assisted housing:				
New:	38,000	34,200	3,600	200
Purchase and repair:	12,410	11,170	1,240	-----
Repair only:	2,890	2,600	290	-----
Above moderate income housing:				
New:	1,810	1,630	180	-----
Purchase and repair:	1,035	930	105	-----
Repair only:	155	155	-----	-----
Commitments issued in 1970:				
Publicly assisted housing:				
New:	113,300	-----	89,570	23,730
Purchase and repair:	20,000	-----	13,760	6,240
Repair only:	13,140	-----	11,510	1,630
Above moderate income housing:				
New:	5,200	-----	4,680	520
Purchase and repair:	1,550	-----	1,395	155
Repair only:	1,100	-----	990	110

¹Includes a commitment level of about 10,000 publicly assisted housing units which will be administered by the Farmers Home Administration under delegation from the Department of Housing and Urban Development as authorized by the Housing and Urban Development Act of 1968.

The publicly assisted housing direct and insured loan program recommendations shown above, together with publicly assisted housing recommendations for the Department of Housing and Urban Development, are designed to provide the 700,000 housing unit starts set forth in the President's 10-year housing program for fiscal year 1969 and fiscal year 1970. The Department of Agriculture programs will provide 174,280 housing unit starts and acquisitions during this 2-year period for low to moderate income rural families.

Particular emphasis will be given under Farmers Home Administration programs to provision of adequate housing for rural families with annual incomes of less than \$3 thousand per year. These publicly assisted housing interest supplement loan programs will be administered by Farmers Home Administration through delegation by the Department of Housing and Urban Development under section 235 of the Housing and Urban Development Act of 1968, as well as under the basic authorities of the Farmers Home Administration. The interest supplement programs will be administered subject to the maximum allowable income limits as prescribed in the Housing and Urban Development Act of 1968.

The budget authority required for Insufficiencies is computed as follows:

[In thousands of dollars]

	1968 actual	1969 estimate	1970 estimate
Interest accrued on participation certificates:	9,520	14,563	13,190
Participation sales expenses:	519	10	10
Interest accrued on equal amount of loans in the pool:	-6,409	-9,236	-8,280
Insufficiency:	3,630	5,337	4,920
Financed by:			
Investment income from participation sales trust fund:	-486	-1,957	-154
Transfer from other accounts:	-----	-2,414	-3,488

Retained earnings reserved to meet insufficiencies:	-2,348	-387	-----
Budget authority required:	797	579	1,278
Portion of budget authority applicable to: Sales authorized in 1967 appropriation act (indefinite appropriation):	797	579	1,278

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue:	25,701	24,308	24,009
Investment income from participation sales fund, net:	486	1,957	154
Gross operating income:	26,187	26,265	24,163
Expense:			
Operating expense:	15,717	9,983	8,635
Commissions on sales of participation certificates:	330	-----	-----
Amortized discount on participation certificates:	19	10	10
Interest on participation certificates:	9,520	14,563	13,190
Total expense:	25,586	24,556	21,835
Net operating income:	601	1,709	2,328
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash:	82	85	60
Loans receivable:	118	200	200
Total proceeds from sale:	200	285	260
Net book value of assets sold:	191	275	250
Nonoperating loss or gain:	9	10	10
Net income or loss for year:	610	1,719	2,338
Analysis of retained earnings:			
Retained earnings, start of year:			
Reserved for insufficiencies on participation certificates:	770	387	-----
Unreserved:	6,805	7,798	10,701
Appropriations and transfers to meet insufficiencies:	-----	797	2,993
Total:	7,575	8,982	13,694
Retained earnings, end of year:			
Reserved for insufficiencies on participation certificates:	387	-----	-----
Unreserved:	7,798	10,701	16,032
Appropriations and transfers to meet insufficiencies:	797	2,993	4,766
Total:	8,982	13,694	20,798

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance:	261,629	432,239	318,958	310,100
Accounts receivable, net:	6,500	7,768	7,848	8,422
Loans receivable, net:	650,944	616,943	601,043	593,968
Acquired security or collateral:	170	217	242	242
Judgments, net:	5	4	5	8
Total assets:	919,248	1,057,171	928,096	912,740

Public enterprise funds—Continued

RURAL HOUSING DIRECT LOAN ACCOUNT—Continued

Financial Condition (in thousands of dollars)—Continued

	1967 actual	1968 actual	1969 est.	1970 est.
Liabilities:				
Current	573	2,818	1,616	2,424
Interest collections in escrow for trustee		829	363	500
Participation certificates outstanding	112,000	262,000	244,000	226,000
Principal collections in escrow for trustee		2,752	3,657	3,277
Principal payments to be applied to redemption of participation certificates	-2,333	-21,643	-28,957	-33,982
Government equity:				
Interest-bearing capital	663,428	663,428	555,718	555,718
Non-interest-bearing capital	138,005	138,005	138,005	138,005
Retained earnings:				
Reserved to cover insufficiencies on participation certificates	770	387		
Unreserved	6,805	8,595	13,694	20,798
Total Government equity	809,008	810,415	707,417	714,521

Analysis of Government Equity (in thousands of dollars)

Undisbursed loan obligations ¹	2,593	3,163	3,163	3,163
Unobligated balance	264,963	433,014	429,201	419,982
Unamortized discount		183	173	163
Participation certificates outstanding less principal collections held by trustee	-109,667	-240,357	-215,043	-192,018
Principal collections in escrow for trustee		-2,752	-3,657	-3,277
Invested capital and earnings	651,119	616,994	601,290	594,218
Subtotal	809,008	810,245	815,127	822,231
Less undrawn authorization			-107,710	-107,710
Total Government equity	809,008	810,245	707,417	714,521

¹ The changes in this item are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code	05-60-4221-0-3-352	1968 actual	1969 est.	1970 est.
25.0	Other services	1,033	500	500
33.0	Investments and loans	14,903	30,001	37,002
43.0	Interest and dividends	15,129	8,675	7,700
	Interest on participation certificates	9,520	14,563	13,190
99.0	Total obligations	40,585	53,739	58,392

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949 (42 U.S.C. [1471-1490] 1490c) and related advances, [\$600,000] \$1,400,000, to remain available until expended. (Supplemental Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code	05-60-4222-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:				
10	Loans for land development (program costs, obligations) (object class 33.0)		600	1,400
Financing:				
40	Budget authority (appropriation)		600	1,400
Relation of obligations to outlays:				
71	Obligations incurred, net		600	1,400
90	Outlays		600	1,400

Self-help housing land development fund.—This fund was authorized by section 1005 of the Housing and Urban Development Act of 1968 (Public Law 90-448). The Self-help housing land development fund will be used as a revolving fund for making loans to public agencies or private nonprofit organizations for the acquisition and development of land as building sites that will be subdivided and sold to eligible families, nonprofit organizations, and cooperatives.

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Loans receivable, net			600	2,000
Total assets			600	2,000
Government equity:				
Appropriations			600	2,000
Total Government equity			600	2,000
Analysis of Government Equity (in thousands of dollars)				
Invested capital and earnings			600	2,000
Total Government equity			600	2,000

RURAL HOUSING INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	05-60-4141-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:				
Capital outlay:				
1. Loans made:				
(a) For payment of delinquent installments		1,152	2,000	3,000
(b) Advances on behalf of borrowers		119	300	400
(c) From fund for later sale		513,676	505,100	1,240,000
2. Purchase of loans from lenders		73,854	99,500	99,500
3. Disbursement of loan repayments to note holders		57,008	87,000	111,000
4. Collateral acquired by default		39	50	70
Total capital outlay, funded		646,847	693,950	1,453,970
Operating costs, funded:				
1. Interest on borrowings		108	500	2,000
2. Premium interest paid note holders		5,235	8,000	13,000
3. Other expense		538	607	759
Total operating costs, funded		5,881	9,107	15,759
Total program costs, funded		652,728	703,057	1,469,729
Change in selected resources ¹		-43,488	8,000	18,800
10	Total obligations	609,241	711,057	1,488,529
Financing:				
14	Receipts and reimbursements from:			
Non-Federal sources:				
Repayments on advances		-840	-1,000	-1,800
Repayments on loans held		-1,622	-1,500	-2,000
Sale of loans		-524,718	-698,697	-1,340,000
Loan repayments received on behalf of note holders		-57,007	-87,000	-111,000
Insurance premiums		-161	-300	-500
Interest revenue		-3,572	-3,100	-8,500
Proceeds from sale of acquired property			-50	-100
Fees and other revenue		-1	-5	-5
Change in unrealized sales		51,286		
Unobligated balance available, start of year:				
21.47	Authorization to spend public debt receipts			-72,606

21.98	Fund balance.....			-7,989
	Unobligated balance available, end of year:			
24.47	Authorization to spend public debt receipts.....	72,606		55,971
24.98	Fund balance.....	7,989		
67	Budget authority (authorization to spend public debt receipts).....	72,606		
	Relation of obligations to outlays:			
71	Obligations incurred, net.....	72,606	-80,595	24,624
	Obligated balance, start of year:			
72.47	Authorization to spend public debt receipts.....		49,006	
72.98	Fund balance.....	37,481	12,454	67,009
	Obligated balance, end of year:			
74.47	Authorization to spend public debt receipts.....	-49,006		-16,635
74.98	Fund balance.....	-12,454	-67,009	-16,518
90	Outlays.....	48,627	-86,144	13,480

¹ Balances of selected resources are identified on the statement of financial condition.

This fund was established in 1965 pursuant to section 517(e) of title V of the Housing Act of 1949, as amended by Public Law 89-117 and Public Law 89-754. This fund is used to insure rural housing loans, farm labor housing loans, and loans for rural rental housing. Initial capitalization of the fund at \$100 million was provided by the Supplemental Appropriation Act, 1966, approved October 31, 1965.

If the borrowers are persons of low or moderate income, and if their need for necessary housing cannot be met with financial assistance from other sources, including assistance available under section 235 or 236 of the National Housing Act, the loans made by the Farmers Home Administration will bear interest at 5% with provisions for interest credits up to 4% under certain circumstances. Loans to persons other than those of low or moderate income bear interest currently at a rate of 6¼% plus a ½ of 1% insurance charge.

INSURED LOAN OBLIGATIONS

	[Dollars in millions]					
	1968 actual		1969 estimate		1970 estimate	
	Number	Amount	Number	Amount	Number	Amount
Low-to-moderate income building loans (individuals).....	43,933	\$414	50,400	\$438	136,840	\$1,119
Other than low-to-moderate income building loans (individuals).....	3,938	50	3,400	40	7,850	100
Farm labor housing loans.....	31	4	150	15	150	15
Rural labor housing loans.....	239	8	450	20	550	25

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue.....	3,733	3,405	9,005
Expense.....	5,885	9,157	15,859
Net operating income or loss.....	-2,152	-5,752	-6,854
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash sales.....		50	100
Exchanged for loans receivable.....	82	100	200
Total proceeds from sales of acquired property.....	82	150	300
Net book value of assets sold.....	-82	-140	-280
Net gain on sale of acquired property.....		10	20
Net loss for the year.....	-2,152	-5,742	-6,834
Analysis of retained earnings:			
Start of year.....	1,404	-748	-6,490
End of year.....	-748	-6,490	-13,324

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance.....	37,481	12,454	74,998	61,518
Accounts receivable, net.....	2,317	4,998	7,401	15,057
Loans receivable, net.....	74,758	137,375	42,878	41,748
Acquired security or collateral.....		39	199	319
Total assets.....	114,556	154,866	125,476	118,642
Liabilities:				
Current.....	13,152	32,014	31,966	31,966
Government equity:				
Interest-bearing capital:				
Start of year.....			23,600	
Borrowings from Treasury, net.....		23,600	-23,600	
End of year.....		23,600		
Non-interest-bearing capital.....	100,000	100,000	100,000	100,000
Retained earnings.....	1,404	-748	-6,490	-13,324
Total Government equity.....	101,404	122,852	93,510	86,676

Analysis of Government Equity (in thousands of dollars)

Undisbursed loan obligations ¹	77,932	34,441	42,441	61,241
Unobligated balance.....			80,595	55,971
Anticipated sales.....	-51,286			
Undisbursed obligations to pay recoverable loan costs ¹		3	3	3
Invested capital and earnings.....	74,758	137,414	43,077	42,067
Subtotal.....	101,404	171,858	166,116	159,282
Less undrawn authorizations.....		-49,006	-72,606	-72,606
Total Government equity.....	101,404	122,852	93,510	86,676

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1968, \$887,446 thousand, \$1,401,143 thousand at June 30, 1969, and \$2,528,643 thousand at June 30, 1970.

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-60-4141-0-3-352	1968 actual	1969 est.	1970 est.
25.0 Other services.....	538	607	759
33.0 Investments and loans.....	546,353	614,950	1,361,770
43.0 Interest and dividends.....	5,343	8,500	15,000
44.0 Refunds.....	57,007	87,000	111,000
99.0 Total obligations.....	609,241	711,057	1,488,529

EMERGENCY CREDIT REVOLVING FUND

For an additional amount for the Emergency Credit Revolving Fund, as authorized by the Act of August 8, 1961 (7 U.S.C. 1967) \$31,918,000.

Program and Financing (in thousands of dollars)

Identification code 05-60-4104-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
Administrative expense.....	5,752	6,246	6,322
Other expense.....	118	1,800	
Total operating costs, funded.....	5,870	8,046	6,322
Capital outlay, funded:			
Loans made: Emergency loans.....	107,756	64,000	64,000
Judgments and collateral acquired.....	56	50	50
Total capital outlay, funded.....	107,812	64,050	64,050
Total program costs, funded.....	113,682	72,096	70,372
Change in selected resources ¹	393		
10 Total obligations.....	114,075	72,096	70,372

Public enterprise funds—Continued

EMERGENCY CREDIT REVOLVING FUND—CONTINUED

Program and Financing (in thousands of dollars)—Continued

Identification code 05-60-4104-0-3-352	1968 actual	1969 est.	1970 est.
Financing:			
14 Receipts and reimbursements from: Non-Federal sources:			
Repayments on loans	-89,883	-89,297	-73,000
Proceeds from sale of acquired property	-33	-20	-30
Payments on judgments	-28	-20	-20
Revenue	-2,543	-2,945	-1,992
21 Unobligated balance available, start of year	-20,840	-29,252	-49,438
22 Unobligated balance transferred from other accounts	-30,000		
23 Unobligated balance transferred to other accounts			30,000
24 Unobligated balance available, end of year	29,252	49,438	56,026
40 Budget authority (appropriation)			31,918
Relation of obligations to outlays:			
71 Obligations incurred, net	21,588	-20,186	-4,670
72 Receivables in excess of obligations, start of year	-1,996	-2,020	-114
74 Receivables in excess of obligations, end of year	2,020	114	1,873
90 Outlays	21,612	-22,092	-2,911

¹ Balances of selected resources are identified on the statement of financial condition.

This fund is authorized by subtitle C of the Consolidated Farmers Home Administration Act of 1961 to finance emergency loans in areas where agricultural credit is not readily available because of natural disasters. Loans are generally confined to areas designated as emergency areas. Loans may be made outside of such areas to eligible applicants who have suffered severe production losses not general to the area. Loans also may be made to previously indebted borrowers to permit orderly repayment of such indebtedness.

Loans.—(a) *Emergency loans.*—Emergency loans are made at 3% interest to eligible farmers, ranchers, or oyster planters and to domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting. Loans are made for any authorized purposes for which operating, farm ownership, or soil and water loans may be made by the Farmers Home Administration.

(b) *Other loans.*—Where necessary to protect the Government's investment, obligations are incurred in connection with outstanding loans to provide for payment of such costs as taxes and insurance. Such advances are charged to the borrowers' accounts.

Administrative expenses.—The principal administrative expenses are related to the loan programs of the Farmers Home Administration. These expenses are estimated at \$6.2 million in 1969 and \$6.3 million in 1970. Administrative expenses for the Office of the General Counsel are estimated at \$36 thousand in fiscal years 1969 and 1970.

Financing the program.—Budget authority of \$31.9 million is required in 1970 to repay \$30 million loan, with interest, made to the Emergency Credit Revolving Fund from the Commodity Credit Corporation, pursuant to Public Law 90-328. A net loss of \$6.6 million is estimated on an accrual basis. Receipts are estimated to exceed expenditures by \$2.9 million on a cash basis.

Operating results and financial conditions.—Revenue for 1970, consisting principally of interest on loans, is

estimated at \$2.6 million, compared to expense of \$9.2 million, resulting in an estimated loss of \$6.6 million. A net loss of \$1.8 million is estimated for 1969, and a net loss of \$6.3 million resulted in 1968.

Loans receivable, after allowance for losses, are expected to amount to \$85.2 million on June 30, 1970, as compared to \$96.5 million on June 30, 1969 and \$118.6 million on June 30, 1968.

The Government investment at June 30, 1970, is expected to be \$143.7 million consisting of \$267.8 million appropriated and donated, less a deficit of \$124.1 million.

EMERGENCY LOAN OBLIGATIONS

	1968 actual	1969 estimate	1970 estimate
Number of loans	22,228	15,500	15,000
Amount of loans (in thousands)	\$108,174	\$64,000	\$64,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue	3,231	3,601	2,601
Expense	-9,573	-5,450	-9,206
Net operating loss	-6,342	-1,849	-6,605
Nonoperating income or loss:			
Proceeds from sale of collateral:			
Cash	33	20	30
Loans receivable	125	100	100
Total proceeds from sale of collateral	158	120	130
Net book value of assets sold	-120	-115	-125
Net nonoperating income	37	5	5
Net loss for the year	-6,304	-1,844	-6,600
Analysis of deficit:			
Deficit, start of year	-109,317	-115,621	-117,465
Deficit, end of year	-115,621	-117,465	-124,065

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance	18,843	27,232	49,324	54,153
Accounts receivable, net	3,858	4,167	4,061	3,902
Loans receivable, net	103,754	118,580	96,499	85,189
Acquired security or collateral	149	185	220	245
Other assets		13	13	13
Judgments, net	162	178	194	209
Total assets	126,766	150,355	150,311	143,711
Liabilities:				
Current	225	118	1,918	
Government equity:				
Advance from Commodity Credit Corp.		30,000	30,000	
Non-interest-bearing capital	235,858	235,858	235,858	267,776
Deficit	-109,317	-115,621	-117,465	-124,065
Total Government equity	126,541	150,237	148,393	143,711

Analysis of Government Equity (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Undisbursed loan obligations ¹	1,636	2,029	2,029
Unobligated balances	20,840	29,252	49,438
Invested capital and earnings	104,065	118,956	96,926
Total Government equity	126,541	150,237	143,711

¹ The change in this item is reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-60-4104-0-3-352	1968 actual	1969 est.	1970 est.
FARMERS HOME ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....	4,483	4,907	4,975
11.3 Positions other than permanent....	106	117	117
11.5 Other personnel compensation.....	15	21	21
Total personnel compensation.....	4,604	5,045	5,113
12.1 Personnel benefits: Civilian employees..	370	400	408
21.0 Travel and transportation of persons..	358	360	360
22.0 Transportation of things.....	17	20	20
23.0 Rent, communications, and utilities....	250	250	250
24.0 Printing and reproduction.....	24	25	25
25.0 Other services.....	58	60	60
26.0 Supplies and materials.....	27	30	30
31.0 Equipment.....	19	20	20
33.0 Investments and loans.....	108,205	64,050	64,050
43.0 Interest and dividends.....	118	1,800	-----
Total obligations, Farmers Home Administration.....	114,050	72,060	70,336
ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL			
11.1 Personnel compensation: Permanent positions.....	23	33	33
12.1 Personnel benefits: Civilian employees..	2	3	3
Total obligations, Office of the General Counsel.....	25	36	36
99.0 Total obligations.....	114,075	72,096	70,372

Personnel Summary

FARMERS HOME ADMINISTRATION			
Total number of permanent positions.....	610	620	625
Full-time equivalent of other positions.....	22	20	20
Average number of all employees.....	602	625	635
Average GS grade.....	7.1	7.2	7.3
Average GS salary.....	\$7,900	\$8,420	\$8,500
ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL			
Total number of permanent positions.....	4	4	4
Average number of all employees.....	2	4	4
Average GS grade.....	9.1	9.4	9.1
Average GS salary.....	\$10,627	\$12,400	\$11,933

AGRICULTURAL CREDIT INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code 05-60-4140-0-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Capital outlay:			
1. Loans made:			
(a) For payment of delinquent installments.....	12,140	15,000	16,000
(b) Advances on behalf of borrowers.....	1,668	1,800	1,900
(c) From fund for later sale.....	357,002	477,300	505,500
2. Purchase of loans from lenders.....	118,719	98,000	98,000
3. Disbursements of loan repayments to note holders.....	103,440	142,000	169,000
4. Collateral acquired by default.....	75	30	30
5. Judgments.....	1	5	7
Total capital outlay, funded....	593,044	734,135	790,437

Operating costs, funded:

1. Administrative expenses.....	450	2,250	2,250
2. Premium interest paid note holders.....	6,726	10,000	14,000
3. Interest on borrowings.....	6,950	7,500	5,780
4. Other expenses.....	1,654	2,040	2,545
Total operating costs, funded..	15,780	21,790	24,575
Total program costs, funded....	608,824	755,925	815,012
Change in selected resources ¹	-40,085	2,700	39,000
10 Total obligations.....	568,738	758,625	854,012
Financing:			
14 Receipts and reimbursements from:			
Non-Federal sources:			
Repayments on advances.....	-9,616	-10,500	-13,400
Repayments on loans held.....	-14,600	-10,000	-10,000
Sale of loans.....	-449,742	-679,931	-627,500
Loan repayments received on behalf of note holders.....	-103,440	-142,000	-169,000
Proceeds from sale of acquired property.....	-253	-200	-200
Payments on judgments.....	-2	-10	-10
Insurance premiums.....	-3,785	-3,500	-3,500
Interest revenue.....	-7,588	-6,000	-6,000
Fees and other revenues.....	-30	-----	-----
21.47 Unobligated balance available, start of year: Authorization to spend public debt receipts.....	-----	-20,318	-113,834
24.47 Unobligated balance available, end of year: Authorization to spend public debt receipts.....	20,318	113,834	89,432
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-20,318	-93,516	24,402
Obligated balance, start of year:			
72.47 Authorization to spend public debt receipts.....	131,351	95,714	97,198
72.98 Fund balance.....	6,365	12,679	10,470
Obligated balance, end of year:			
74.47 Authorization to spend public debt receipts.....	-95,714	-97,198	-129,600
74.98 Fund balance.....	-12,679	-10,470	-13,745
90 Outlays.....	9,006	-92,791	-11,275

¹ Balances of selected resources are identified on the statement of financial condition.

This fund is used to insure farm ownership, soil and water, and recreation loans to individuals and association loans as authorized by subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended. The insurance endorsement on each insured loan may include an agreement by the Government to purchase the loan after a specified initial period. The initial fund of \$1 million may be supplemented by amounts retained by the Government out of interest collected from insured loan borrowers and by borrowing from the Secretary of the Treasury. From any amounts so retained, not to exceed one-half of 1% of the outstanding principal obligations must be deposited to the fund to cover losses. Any remainder of such charges may be used for administrative expenses. Loans may be made directly from the fund from available receipts or borrowings from the Treasury for the purpose of acquiring blocks of loans if there is reasonable assurance that the loans can be sold to investors without undue delay. With respect to new loans made from this fund, not more than \$100 million may be held in the fund at any one time. Interest paid the Secretary of the Treasury on borrowings is based on the current average market yield of outstanding marketable obligations of the United

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

States having maturities comparable to the notes issued for borrowings from the Treasury for operation of the fund.

Budget program.—Capital outlay is estimated at \$790.4 million in 1970, an increase of \$56.3 million over 1969 and an increase of \$197.4 million over 1968. Included in capital outlay is \$477.3 million in 1969 and \$505.5 million in 1970 for making loans from the fund which will later be sold on an insured basis. The increase in 1969 and 1970 in sale of loans from the fund is based on all insured loans being made by the fund for later sale in order to permit a premium yield to investors. Insured loans outstanding which are contingent liabilities against the insurance fund are expected to increase from \$1,451 million on June 30, 1968 to approximately \$1,949 million at June 30, 1969 and \$2,379 million by June 30, 1970.

Financing.—Net repayments to the Treasury are estimated at \$95 million in 1969 and \$8 million in 1970.

Operating results and retained earnings.—Total revenue, consisting of loan insurance charges and interest income on loans held by the fund, is estimated at \$9.5 million in 1969 and 1970.

Net outstanding loans receivable of \$55.3 million are estimated at June 30, 1970. Retained earnings, available to cover losses will be exhausted before the end of 1970. The deficit of \$6.9 million when added to the \$1 million appropriation and estimated borrowings of \$65.7 million from the Treasury represent a \$59.8 million Government investment.

INSURED LOAN OBLIGATIONS

[Dollars in thousands]

	1968 actual		1969 estimate		1970 estimate	
Individuals:	Number	Amount	Number	Amount	Number	Amount
Farm ownership	10,444	\$200,000	16,050	\$295,000	19,700	\$360,000
Soil and water	964	4,998	500	2,500	450	2,250
Recreation			750	15,000	750	15,000
Associations	835	122,000	1,018	167,500	1,079	167,250

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue	11,403	9,500	9,500
Expense	15,891	21,995	24,780
Net operating income or loss	-4,488	-12,495	-15,280
Nonoperating income or loss:			
Proceeds from sale of acquired property:			
Cash sales	253	200	200
Exchanged for loans receivable	352	500	500
Total proceeds from sales of acquired property	605	700	700
Net book value of assets sold	-590	-680	-680
Net gain on sale of acquired property	15	20	20
Discount on insured loans sold	-317		
Net nonoperating gain or loss (-)	-302	20	20
Net loss for the year	-4,790	-12,475	-15,260
Analysis of retained earnings:			
Start of year	25,577	20,787	8,312
End of year	20,787	8,312	-6,948

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance	6,365	12,679	10,470	13,745
Accounts receivable, net	8,837	12,061	15,486	18,809
Loans receivable, net	179,297	194,217	85,366	55,346
Judgments	69	50	65	82
Acquired security or collateral	682	760	905	1,050
Total assets	195,250	219,767	112,292	89,032
Liabilities:				
Current	15,233	29,220	29,220	29,220
Government equity:				
Interest-bearing capital:				
Start of year	174,710	153,440	168,760	73,760
Borrowings from Treasury, net	-21,270	15,320	-95,000	-8,000
End of year	153,440	168,760	73,760	65,760
Non-interest-bearing capital	1,000	1,000	1,000	1,000
Retained earnings	25,577	20,787	8,312	-6,948
Total Government equity	180,017	190,547	83,072	59,812

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)

Undisbursed loan obligations ¹	131,310	91,224	93,924	132,924
Unobligated balance				
Undisbursed obligations to pay recoverable loan costs ¹	10	10	10	10
Invested capital and earnings	180,048	195,027	86,336	56,478
Subtotal	311,368	286,261	180,270	189,412
Less undrawn authorizations	-131,351	-95,714	-97,198	-129,600
Total Government equity	180,017	190,547	83,072	59,812

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1968, \$1,451,239 thousand; at June 30, 1969, \$1,949,170 thousand; and \$2,378,670 thousand, at June 30, 1970.

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code	05-60-4140-0-3-352	1968 actual	1969 est.	1970 est.
25.0	Other services	2,104	4,290	4,795
33.0	Investments and loans	449,518	594,835	660,437
43.0	Interest and dividends	13,676	17,500	19,780
44.0	Refunds	103,440	142,000	169,000
99.0	Total obligations	568,738	758,625	854,012

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code	05-60-3998-0-4-352	1968 actual	1969 est.	1970 est.
Program by activities:				
1.	Miscellaneous service to other accounts	233	360	350
2.	Agency for International Development (Funds appropriated to the President)	699	800	833
10	Total program costs, funded—obligations	932	1,160	1,183

Financing:			
Receipts and reimbursements from:			
11 Federal funds	—927	—1,150	—1,173
14 Non-Federal sources (40 U.S.C. 481(c))	—5	—10	—10
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net			
90 Outlays			

Object Classification (in thousands of dollars)			
Personnel compensation:			
11.1 Permanent positions	716	905	922
11.5 Other personnel compensation	74	78	69
Total personnel compensation			
12.1 Personnel benefits: Civilian employees	61	77	79
21.0 Travel and transportation of persons	41	51	54
22.0 Transportation of things	22	28	29
23.0 Rent, communications, and utilities	7	9	15
24.0 Printing and reproduction			1
25.0 Other services	7	8	9
26.0 Supplies and materials			1
31.0 Equipment	1	1	1
42.0 Insurance claims and indemnities	3	3	3
99.0 Total obligations	932	1,160	1,183

Personnel Summary			
Total number of permanent positions	70	90	95
Average number of all employees	66	88	90
Average GS grade	7.1	7.2	7.3
Average GS salary	\$7,900	\$8,420	\$8,500

Trust Funds

STATE RURAL REHABILITATION FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-60-8488-0-8-352	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded: Administrative expense	204	200	200
Total operating costs, funded	204	200	200
Capital outlay, funded:			
Loans acquired	1,630	2,000	2,000
Judgments and collateral acquired	8	1	1
Current assets transferred to States	231	235	195
Total capital outlay, funded	1,869	2,236	2,196
Total program costs, funded	2,073	2,436	2,396
Change in selected resources ¹	14		
10 Total obligations	2,087	2,436	2,396

Financing:			
Receipts and reimbursements from:			
Non-Federal sources:			
Repayments on loans	—1,550	—2,962	—1,400
Collections on judgments	—2	—2	—2
Sale of acquired security	—3		
Interest revenue	—1,213	—816	—688
Other revenue	—6	—13	—13
21 Unobligated balance available, start of year:			
Cash	—1,135	—2,022	—3,402
U.S. securities (par)	—373	—173	—150

24 Unobligated balance available, end of year:			
Cash	2,022	3,402	3,109
U.S. securities (par)	173	150	150
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	—686	—1,357	293
72 Receivables in excess of obligations, start of year	—559	—363	—293
74 Receivables in excess of obligations, end of year	363	293	235
90 Outlays	—883	—1,427	235

¹ Balance of selected resources are identified in the statement of financial condition (analysis of equity of States).

These funds are administered by the Farmers Home Administration, under agreements with 36 individual States, for use in carrying out subtitles A and B of the Consolidated Farmers Home Administration Act of 1961. In these States, real-estate type loans are made from or purchased with these funds and insured under the Agricultural Credit Insurance Fund. In some States, operating-type loans are made at 5½% interest. The entire assets of the 36 State corporations are being administered by the Farmers Home Administration, with the exception of \$15.7 million representing the partial return of cash or other assets, at face value, to 18 of these States for rural rehabilitation purposes agreed upon between each corporation and the Federal Government. The entire assets of six other State rural rehabilitation corporations have been returned to those States.

Actual and estimated loan obligations for the fiscal years 1967, 1968, 1969, and 1970 are as follows (in thousands of dollars):

	Operating loans	Real estate loans
1967	314	5,256
1968	708	934
1969 (estimated)	500	1,500
1970 (estimated)	500	1,500

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Operating program:			
Revenue	1,299	843	743
Expense	—282	—460	—380
Net income for the year	1,017	383	363
Analysis of retained earnings or deficit:			
Retained earnings or deficit, start of year	2,144	3,162	3,545
Retained earnings or deficit, end of year	3,162	3,545	3,908

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance	576	1,659	3,109	2,874
U.S. securities (par)	373	173	150	150
Accounts receivable, net	664	475	405	347
Loans receivable, net	24,325	22,588	19,281	18,643
Real estate acquired through foreclosure	27	30	30	30
Judgments, net	21	13	12	11
Total assets	25,986	24,938	22,987	22,055

STATE RURAL REHABILITATION FUNDS—Continued

Financial Condition (in thousands of dollars)—Continued

	1967 actual	1968 actual	1970 est.	1970 est.
Liabilities:				
Current.....	105	98	98	98
Equity of States:				
Non-interest-bearing capital:				
Start of year.....	23,871	23,737	21,679	19,344
Assets transferred under trust agreement during year, net:				
Current assets.....	-122	-231	-235	-195
Other.....	-12	-1,827	-2,100	-1,100
End of year.....	23,737	21,679	19,344	18,049
Retained earnings or deficit...	2,144	3,162	3,545	3,908
Total equity of States....	25,881	24,840	22,889	21,957

Analysis of Equity of States (in thousands of dollars)

Undisbursed loan obligations ¹	14	14	14
Unobligated balance.....	1,508	2,195	3,552
Invested capital and earnings....	24,373	22,631	19,323
Total equity of States....	25,881	24,840	22,889

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-60-8488-0-8-352	1968 actual	1969 est.	1970 est.
25.0 Other services.....	204	200	200
33.0 Investments and loans.....	1,652	2,001	2,001
44.0 Refunds.....	231	235	195
99.0 Total obligations.....	2,087	2,436	2,396

RURAL COMMUNITY DEVELOPMENT SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Rural Community Development Service in providing leadership and related services in carrying out the rural areas development activities of the Department, **[\$463,000] \$450,000; Provided,** That not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109. (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-64-0800-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Program coordination and direction (program costs, funded).....	395	481	450
Change in selected resources ¹	31	-----	-----
10 Total obligations.....	426	481	450
Financing:			
25 Unobligated balance lapsing.....	24	-----	-----
Budget authority.....	450	481	450

Budget authority:

40 Appropriation.....	450	463	450
44.20 Proposed supplemental for civilian pay act increases.....	-----	18	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	426	481	450
72 Obligated balance, start of year.....	14	42	83
74 Obligated balance, end of year.....	-42	-83	-83
77 Adjustments in expired accounts.....	-11	-----	-----
90 Outlays, excluding pay increase supplemental.....	388	423	449
91.20 Outlays from civilian pay act supplemental.....	-----	17	1

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$5 thousand (1968 adjustments, -\$11 thousand); 1968, \$25 thousand; 1969, \$25 thousand; 1970, \$25 thousand.

The Service provides general staff leadership and other services in carrying out the outreach functions for rural areas development activities of the Department at the Federal level.

Object Classification (in thousands of dollars)

Identification code 05-64-0800-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	329	386	358
11.3 Positions other than permanent.....	2	1	1
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	331	388	360
12.1 Personnel benefits: Civilian employees.....	23	30	27
21.0 Travel and transportation of persons.....	17	20	20
22.0 Transportation of things.....	-----	1	1
23.0 Rent, communications, and utilities.....	7	10	10
24.0 Printing and reproduction.....	17	13	13
25.0 Other services.....	13	12	12
26.0 Supplies and materials.....	11	7	7
31.0 Equipment.....	6	-----	-----
99.0 Total obligations.....	426	481	450

Personnel Summary

Total number of permanent positions.....	26	27	27
Average number of all employees.....	25	26	24
Average GS grade.....	10.8	10.9	10.9
Average GS salary.....	\$13,573	\$14,730	\$14,790

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-64-3995-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Economic development program (Commerce).....	15	15	15
2. Miscellaneous services to other agencies.....	16	-----	-----
10 Total program costs funded—obligations.....	31	15	15
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-31	-15	-15
Budget authority.....	-----	-----	-----

Relation of obligations to outlays:				
71	Obligations incurred, net.....	-----	-----	-----
90	Outlays.....	-----	-----	-----
Object Classification (in thousands of dollars)				
Personnel compensation:				
11.1	Permanent positions.....	27	13	13
11.5	Other personnel compensation.....	1	-----	-----
Total personnel compensation.....				
12.1	Personnel benefits: Civilian employees.....	2	1	1
25.0	Other services.....	1	1	1
99.0	Total obligations.....	31	15	15
Personnel Summary				
Total number of permanent positions.....				
		2	1	1
Average number of all employees.....				
		2	1	1
Average GS grade.....				
		10.8	10.9	10.9
Average GS salary.....				
		\$13,573	\$14,730	\$14,790

ADVANCES AND REIMBURSEMENTS, AGRICULTURE

Program and Financing (in thousands of dollars)

Identification code	05-64-3900-0-4-355	1968 actual	1969 est.	1970 est.
Relation of obligations to outlays:				
71	Obligations incurred, net.....	-----	-----	-----
72	Obligated balance, start of year.....	12	10	10
74	Obligated balance, end of year.....	-10	-10	-----
90	Outlays.....	2	-----	10

The preceding schedule reflects expenditures from the Consolidated Working Fund, Department of Agriculture. Advances were received from the Department of Commerce, Economic Development Administration (formerly the Area Redevelopment Administration) for operations carried out as well as special technical assistance projects. Funds were received into this account as an administrative convenience and were allotted to the individual agencies of the Department of Agriculture which carried out the program. Costs and obligations for these activities are shown in the Advances and reimbursements schedules for the individual agencies which actually received these funds.

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 for employment under 5 U.S.C. 3109, [\$12,426,000] \$13,925,000. (7 U.S.C. 450b, 2201, 2202, 2220; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code	05-68-0900-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:				
Internal audit and investigations (program costs, funded) ¹				
		12,558	13,553	14,489
Change in selected resources ²				
		65	-----	-----
10	Total obligations.....	12,623	13,553	14,489
Financing:				
Receipts and reimbursements from:				
11	Federal funds.....	-411	-415	-415
13	Trust funds.....	-112	-149	-149
25	Unobligated balance lapsing.....	29	-----	-----
Budget authority.....				
		12,129	12,989	13,925
Budget authority:				
40	Appropriation.....	11,993	12,426	13,925
41	Transferred to other accounts.....	-17	-5	-----
42	Transferred from other accounts.....	153	-----	-----
43	Appropriation (adjusted).....	12,129	12,421	13,925
44.20	Proposed supplemental for civilian pay act increases.....	-----	568	-----
Relation of obligations to outlays:				
71	Obligations incurred, net.....	12,100	12,989	13,925
72	Obligated balance, start of year.....	346	370	672
74	Obligated balance, end of year.....	-370	-672	-477
77	Adjustments in expired accounts.....	2	-----	-----
90	Outlays, excluding pay increase supplemental.....	12,077	12,143	14,096
91.20	Outlays from civilian pay act supplemental.....	-----	544	24

¹ Includes capital outlay as follows: 1968, \$19 thousand; 1969, \$7 thousand; 1970, \$10 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$32 thousand (1968 adjustments, \$2 thousand); 1968, \$74 thousand; 1969, \$74 thousand; 1970, \$74 thousand.

The Office of the Inspector General serves as the audit and investigative arm of the Secretary of Agriculture and performs all audit and investigative activities of the Department. The Office assures the Secretary of completely independent and objective selection of departmental activities to be audited; critical reviews and examination of the Department's programs and activities; and factual, unbiased reporting of the results of these audits and investigations. In so doing, it assures that existing laws, policies, and programs are effectively complied with and that corrective action is taken where necessary. It also coordinates internal audit and investigative activities of the Department with the various investigative agencies of the executive and legislative branches of the Government. The recommended increase is provided to strengthen the audit and investigative services due to the increased activities under the consumer inspection, food stamp, and the rural redevelopment programs.

Object Classification (in thousands of dollars)

Identification code	05-68-0900-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:				
11.1	Permanent positions.....	8,973	9,810	10,455
11.3	Positions other than permanent.....	20	24	24
11.5	Other personnel compensation.....	16	19	19
Total personnel compensation.....				
12.1	Personnel benefits: Civilian employees.....	9,009	9,853	10,498
		746	797	851

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-68-0900-0-1-355	1968 actual	1969 est.	1970 est.
21.0 Travel and transportation of persons..	2,263	2,335	2,526
22.0 Transportation of things.....	50	52	60
23.0 Rent, communications, and utilities....	225	220	223
24.0 Printing and reproduction.....	39	40	43
25.0 Other services.....	213	182	197
26.0 Supplies and materials.....	66	65	76
31.0 Equipment.....	12	9	15
99.0 Total obligations.....	12,623	13,553	14,489

Personnel Summary

Total number of permanent positions.....	923	939	989
Full-time equivalent of other positions.....	7	8	8
Average number of all employees.....	857	886	950
Average GS grade.....	9.8	10.1	10.0
Average GS salary.....	\$10,612	\$11,413	\$11,320

PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for administration of the Packers and Stockyards Act, as authorized by law, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, [\$2,815,300] \$3,309,300. (7 U.S.C. 181-229; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-70-2600-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Administration of the Packers and Stockyards Act (program costs, funded) ¹	2,583	2,859	3,309
Change in selected resources ²	27	-----	-----
10 Total obligations.....	2,610	2,859	3,309
Financing:			
25 Unobligated balance lapsing.....	30	-----	-----
Budget authority.....	2,640	2,859	3,309
Budget authority:			
40 Appropriation.....	2,569	2,815	3,309
41 Transferred to other accounts.....	-----	—5	-----
42 Transferred from other accounts.....	71	-----	-----
43 Appropriation (adjusted).....	2,640	2,810	3,309
44.20 Proposed supplemental for civilian pay act increases.....	-----	49	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	2,610	2,859	3,309
72 Obligated balance, start of year.....	141	160	171
74 Obligated balance, end of year.....	—160	—171	—233
77 Adjustment in expired accounts.....	9	-----	-----
90 Outlays, excluding pay increase supplemental.....	2,600	2,804	3,242
91.20 Outlays from civilian pay act supplemental.....	-----	44	5

¹ Includes capital outlay as follows: 1968, \$0; 1969, \$1 thousand; 1970, \$6 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$0; 1968, \$27 thousand; 1969, \$27 thousand; 1970, \$27 thousand.

This program is aimed at assuring fair play in the marketing of livestock, meat, and poultry. Its principal purpose is to maintain effective competition for livestock, meats and poultry, so as to bring to farmers and ranchers the true market value of their livestock and poultry. Members of the livestock, poultry, and meat industries are also protected against unfair business practices of competitors. Consumers are also protected from unfair practices in the marketing of meats and poultry, and from restrictions on competition which could unduly increase meat and poultry prices.

The increase for 1970 would be used to expand the Department's activities in the areas of (1) packer meat merchandising, (2) effective competition, (3) poultry marketing practices, (4) financial protection, (5) check weighing scales, (6) rate proposals, (7) packer livestock procurement, and (8) livestock marketing practices.

The volume of work performed is indicated by the following examples:

	1968 actual	1969 estimate	1970 estimate
Number of complaints received.....	5,555	6,000	6,800
Number of investigations and audits.....	8,647	9,100	10,500
Formal proceedings disposed of.....	196	233	265

Object Classification (in thousands of dollars)

Identification code 05-70-2600-0-1-355	1968 actual	1969 est.	1970 est.
PACKERS AND STOCKYARDS ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....	1,882	2,144	2,466
11.3 Positions other than permanent.....	14	10	13
11.5 Other personnel compensation.....	8	6	9
Total personnel compensation.....	1,904	2,160	2,488
12.1 Personnel benefits: Civilian employees.....	163	179	208
21.0 Travel and transportation of persons.....	212	240	300
22.0 Transportation of things.....	11	12	20
23.0 Rent, communications, and utilities.....	131	140	145
24.0 Printing and reproduction.....	24	25	33
25.0 Other services.....	63	68	70
26.0 Supplies and materials.....	16	20	23
31.0 Equipment.....	11	15	22
Total obligations, Packers and Stockyards Administration.....	2,535	2,859	3,309
ALLOTMENT TO OFFICE OF MANAGEMENT SERVICES			
Personnel compensation:			
11.1 Permanent positions.....	61	-----	-----
11.3 Positions other than permanent.....	1	-----	-----
Total personnel compensation.....	62	-----	-----
12.1 Personnel benefits: Civilian employees.....	5	-----	-----
23.0 Rent, communications, and utilities.....	2	-----	-----
24.0 Printing and reproduction.....	2	-----	-----
25.0 Other services.....	2	-----	-----
26.0 Supplies and materials.....	2	-----	-----
Total obligations, Office of Management Services.....	75	-----	-----
99.0 Total obligations.....	2,610	2,859	3,309

Personnel Summary

PACKERS AND STOCKYARDS ADMINISTRATION			
Total number of permanent positions.....	198	198	254
Full-time equivalent of other positions.....	3	3	4
Average number of all employees.....	181	188	216
Average GS grade.....	9.6	9.7	9.7
Average GS salary.....	\$10,508	\$11,226	\$10,943

ALLOTMENT TO OFFICE OF MANAGEMENT SERVICES			
Total number of permanent positions.....	9	-----	-----
Full-time equivalent of other positions.....	0	-----	-----
Average number of all employees.....	7	-----	-----
Average GS grade.....	7.1	-----	-----
Average GS salary.....	\$8,175	-----	-----

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS			
Program and Financing (in thousands of dollars)			
Identification code 05-70-3900-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Miscellaneous services to other accounts (costs—obligations).....	-----	8	-----
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-----	-----	-----
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----
Object Classification (in thousands of dollars)			
11.1 Personnel compensation: Permanent positions.....	-----	7	-----
12.1 Personnel benefits: Civilian employees.....	-----	1	-----
99.0 Total obligations.....	-----	8	-----
Personnel Summary			
Total number of permanent positions.....	-----	2	-----
Full-time equivalent of other positions.....	-----	0	-----
Average number of all employees.....	-----	1	-----
Average GS grade.....	-----	9.7	-----
Average GS salary.....	-----	\$11,226	-----

OFFICE OF THE GENERAL COUNSEL

Federal Funds

General and special funds:

SALARIES AND EXPENSES			
For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, [\$4,611,000] \$5,559,000. (7 U.S.C. 2201, 2202, 2214a; Department of Agriculture and Related Agencies Appropriation Act, 1969.)			
Program and Financing (in thousands of dollars)			
Identification code 05-72-2300-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Commodity and production stabilization.....	982	1,195	1,280
2. Marketing, regulatory laws, research and operations.....	1,221	1,414	1,774
3. Rural development and conservation.....	2,224	2,241	2,505
Total program costs, funded ¹	4,427	4,850	5,559
Change in selected resources ²	14	-----	-----
10 Total obligations.....	4,441	4,850	5,559

Financing:			
25 Unobligated balance lapsing.....	45	-----	-----
Budget authority.....	4,486	4,850	5,559
Budget authority:			
40 Appropriation.....	4,325	4,611	5,559
42 Transferred from other accounts.....	161	-----	-----
43 Appropriation (adjusted).....	4,486	4,611	5,559
44.20 Proposed supplemental for civilian pay act increases.....	-----	239	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	4,441	4,850	5,559
72 Obligated balance, start of year.....	175	205	242
74 Obligated balance, end of year.....	—205	—242	—279
77 Adjustments in expired accounts.....	2	-----	-----
90 Outlays, excluding pay increase supplemental.....	4,412	4,584	5,512
91.20 Outlays from civilian pay act supplemental.....	-----	229	10

¹ Includes capital outlay as follows: 1968, \$9 thousand; 1969, \$17 thousand; 1970, \$35 thousand.
² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$2 thousand (1968 adjustments, \$2 thousand); 1968, \$17 thousand; 1969, \$17 thousand; 1970, \$17 thousand.

The Office serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative proceedings for the promulgation of rules and regulations having the force and effect of law and in quasi-judicial hearings held in connection with the administration of Department programs. The Office also represents the Secretary in proceedings before the Interstate Commerce Commission dealing with rates and practices relating to the transportation of agricultural commodities and in appeals to the courts from the decisions of the Commission. It examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department activities.

Object Classification (in thousands of dollars)			
Identification code 05-72-2300-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	3,858	4,225	4,846
11.3 Positions other than permanent.....	33	34	34
11.5 Other personnel compensation.....	2	2	2
Total personnel compensation.....	3,893	4,261	4,882
12.1 Personnel benefits: Civilian employees.....	289	320	367
21.0 Travel and transportation of persons.....	75	85	94
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	76	78	85
24.0 Printing and reproduction.....	13	13	14
25.0 Other services.....	25	25	27
26.0 Supplies and materials.....	27	31	33
31.0 Equipment.....	42	36	56
99.0 Total obligations.....	4,441	4,850	5,559

Personnel Summary			
Total number of permanent positions.....	383	395	478
Full-time equivalent of other positions.....	4	5	5
Average number of all employees.....	350	360	435
Average GS grade.....	9.1	9.4	9.1
Average GS salary.....	\$10,627	\$12,400	\$11,752

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedule of the parent appropriations as follows:
Agricultural Stabilization and Conservation Service, "Expenses."
Farmers Home Administration, "Emergency credit revolving fund."
Farmers Home Administration, "Salaries and expenses."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-72-3990-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Rural development and conservation (program costs, funded).....	96	159	174
Change in selected resources ¹	-1	-----	-----
10 Total obligations.....	95	159	174
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-95	-159	-174
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	-----
90 Outlays.....	-----	-----	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$0 (1968 adjustments, -\$1 thousand); 1968, \$0; 1969, \$0; 1970, \$0.

Object Classification (in thousands of dollars)

Identification code 05-72-3990-0-4-355	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	81	133	137
12.1 Personnel benefits: Civilian employees.....	6	11	12
21.0 Travel and transportation of persons.....	1	3	5
23.0 Rent, communications, and utilities.....	4	4	4
25.0 Other services.....	3	6	8
26.0 Supplies and materials.....	-----	1	4
31.0 Equipment.....	-----	1	4
99.0 Total obligations.....	95	159	174

Personnel Summary

Total number of permanent positions.....	17	17	17
Average number of all employees.....	8	15	15
Average GS grade.....	9.1	9.4	9.1
Average GS salary.....	\$10,627	\$12,400	\$11,752

OFFICE OF INFORMATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, [\$1,997,000] \$2,164,000, of which total appropriation not to exceed [\$587,000] \$612,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201, 2202; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Note.—Includes \$58 thousand for activities previously carried under "Salaries and expenses," Agricultural Research Service.

Program and Financing (in thousands of dollars)

Identification code 05-76-0200-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Publications review and distribution.....	687	921	956
2. Review and distribution of current agricultural information.....	419	562	636
3. Review, preparation, and distribution of visual agricultural information.....	426	572	572
Total program costs, funded ¹	1,532	2,055	2,164
Change in selected resources ²	425	-----	-----
10 Total obligations.....	1,957	2,055	2,164
Financing:			
25 Unobligated balance lapsing.....	8	-----	-----
Budget authority			
Budget authority:			
40 Appropriation.....	1,928	1,997	2,164
42 Transferred from other accounts.....	37	-----	-----
43 Appropriation (adjusted).....	1,965	1,997	2,164
44.20 Proposed supplemental for civilian pay act increases.....	-----	58	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,957	2,055	2,164
72 Obligated balance, start of year.....	435	751	760
74 Obligated balance, end of year.....	-751	-760	-394
77 Adjustments in expired accounts.....	-5	-----	-----
90 Outlays, excluding pay increase supplemental.....	1,637	1,990	2,528
91.20 Outlays from civilian pay act supplemental.....	-----	56	2

¹ Includes capital outlay as follows: 1968, \$14 thousand; 1969, \$3 thousand; 1970, \$3 thousand.

² Selected resources as of June 30, are as follows:

	1967	1968 adjust- ments	1968	1969	1970
Stores.....	183	---	256	256	256
Unpaid undelivered orders.....	78	-5	425	425	425
Total selected resources.....	261	-5	681	681	681

The Office has responsibility for the information work of the entire Department. Its major objective is to report to farmers, agricultural, and closely related groups, and to the public the Department's research, action, regulatory, and other programs, using all information media. This work is carried on in close cooperation with the land-grant institutions and with private industries which serve agriculture. Workload depends upon Department program demands, direct requests, and legislative requirements.

1. *Publications review and distribution.*—The Department's printed publications are reviewed, published, and distributed. Processed publications are reviewed. Publications include farmers' bulletins, leaflets, periodicals, scientific, research, and marketing publications, and agricultural statistics.

2. *Review and distribution of current agricultural information.*—The Department's widespread activities require extensive preparation of information material for press, radio, and television use, as well as for specific agricultural outlets and the general public. Periodic crop, price, and market reports and press releases are issued. Digests, newsletters, special articles, and other editorial services are made available to press associations, farm and general publications, trade publications, daily newspapers, and encyclopedic annuals. Radio is used to reach farmers

locally through single stations, and to broadcast nationally through the major networks. Films, television packages, and other services are prepared for the use of land-grant institutions, television farm broadcasters, and TV networks. Information campaigns involving activities of cross-agency interest are developed using all media. The Yearbook of Agriculture is published by the Office and distributed by the Members of Congress.

3. *Review, preparation, and distribution of visual agricultural information.*—Motion pictures for the Department and nonprofit organizations associated with agriculture, produced on a reimbursable basis under the Department's working capital fund, are distributed through cooperating State film libraries. Still photographs, illustrations, graphics, and exhibits are similarly produced for use in explaining and reporting on Department programs. News and general-type photographs of Department programs and activities are available to news media from a centralized library.

Object Classification (in thousands of dollars)

Identification code 05-76-0200-0-1-355		1968 actual	1969 est.	1970 est.
Personnel compensation:				
11.1	Permanent positions	1,049	1,150	1,185
11.3	Positions other than permanent	2	2	2
11.5	Other personnel compensation	1	2	2
Total personnel compensation		1,052	1,154	1,189
12.1	Personnel benefits: Civilian employees	84	86	90
21.0	Travel and transportation of persons	7	8	8
22.0	Transportation of things	4	3	3
23.0	Rent, communications, and utilities	113	119	129
24.0	Printing and reproduction	613	607	639
25.0	Other services	67	58	85
26.0	Supplies and materials	14	14	16
31.0	Equipment	3	6	5
99.0	Total obligations	1,957	2,055	2,164

Personnel Summary

Total number of permanent positions	135	135	138
Full-time equivalent of other positions	3	3	1
Average number of all employees	120	124	127
Average GS grade	7.9	8.0	8.0
Average GS salary	\$8,967	\$9,528	\$9,666
Average salary of ungraded positions	\$6,341	\$6,894	\$6,894

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedule of the parent appropriation, as follows:
Soil Conservation Service, "Great Plains conservation program."
"Working capital fund."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-76-3996-0-4-355		1968 actual	1969 est.	1970 est.
Program by activities:				
1.	Review, preparation, and distribution of visual agricultural information	24	24	24
2.	Agency for International Development (Funds appropriated to the President)	2	2	2
10	Total program costs, funded—obligations	26	26	26

Financing:

Receipts and reimbursements from:				
11	Federal Funds	—2	—2	—2
14	Non-Federal sources ¹	—24	—24	—24

Budget authority

Relation of obligations to outlays:				
71	Obligations incurred, net			
90	Outlays			

¹ Reimbursements from non-Federal sources are derived from sale of photographs (7 U.S.C. 1387).

Object Classification (in thousands of dollars)

Identification code 05-76-3996-0-4-355		1968 actual	1969 est.	1970 est.
11.1	Personnel compensation: Permanent positions	1	2	2
24.0	Printing and reproduction	25	24	24
99.0	Total obligations	26	26	26

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-76-8200-0-7-355		1968 actual	1969 est.	1970 est.
Program by activities:				
10	Miscellaneous contributed funds (costs—obligations) (object class 22.0)	1	1	
Financing:				
60	Budget authority (appropriation)	1	1	
Relation of obligations to outlays:				
71	Obligations incurred, net	1	1	
90	Outlays	1	1	

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (7 U.S.C. 450b, 450h).

NATIONAL AGRICULTURAL LIBRARY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

* For necessary expenses of the National Agricultural Library, [\$3,292,750] \$3,226,750: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109. (5 U.S.C. 5946; 7 U.S.C. 450b, 450i, 2201, 2202, 2204, 2206, 2244; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-84-0300-0-1-355		1968 actual	1969 est.	1970 est.
Program by activities:				
	Agricultural library services for research and education (program costs, funded) ¹	2,514	3,324	3,227
	Change in selected resources ²	81		
10	Total obligations	2,595	3,324	3,227

¹ Includes capital outlay as follows: 1968, \$7 thousand; 1969, \$7 thousand; 1970, \$7 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$633 thousand (1968 adjustments, —\$81 thousand); 1968, \$715 thousand; 1969, \$715 thousand; 1970, \$715 thousand.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-84-0300-0-1-355	1968 actual	1969 est.	1970 est.
Financing:			
25 Unobligated balance lapsing.....	44	-----	-----
Budget authority	2,638	3,324	3,227
Budget authority:			
40 Appropriation.....	2,608	3,293	3,227
41 Transferred to other accounts.....	-----	-9	-----
42 Transferred from other accounts.....	30	-----	-----
43 Appropriation (adjusted).....	2,638	3,284	3,227
44.20 Proposed supplemental for civilian pay act increases.....	-----	40	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	2,595	3,324	3,227
72 Obligated balance, start of year.....	895	924	541
74 Obligated balance, end of year.....	-924	-541	-846
77 Adjustments in expired accounts.....	1	-----	-----
90 Outlays, excluding pay increase supplemental.....	2,567	3,669	2,920
91.20 Outlays from civilian pay act supplemental.....	-----	38	2

The National Agricultural Library, cooperating jointly with the two other national libraries—the Library of Congress and the National Library of Medicine—provides coverage and servicing of worldwide publications in the agricultural, chemical, and biological sciences. It serves the research, extension, regulatory, and other programs of the Department and State agricultural agencies. It contains more than 1.3 million volumes, one of the world's most extensive agricultural collections. Since the Library's primary purpose is to provide for research needs, substantive publications in the animal sciences, plant sciences, agricultural chemistry, agricultural engineering, soils, forestry, agricultural products, home economics, world sociology, agricultural economics and agricultural statistics are acquired and preserved. Publications are currently acquired from more than 150 governments and jurisdictional entities in some 50 different languages. In addition, printed information of agricultural societies, organizations, cooperatives, and general material in the field of agriculture are collected and made available for use.

Information contained in the agricultural literature is disseminated through bibliographies, reference services, loans and photocopies to agricultural colleges and universities, research institutions, Government agencies, agricultural associations, industry, individual scientists, farmers, and the general public in every part of the world.

During 1968, 217,173 separate issues of periodicals were added to the collection by purchase, gift, and exchange. During the same period 226,585 loans of books and periodicals were made and 111,217 reference questions answered.

The decrease for 1970 reflects the nonrecurring costs in 1969 for moving the Library to the new building in Beltsville, Md., offset in part by additional costs required for a full-year's maintenance of the new building.

Object Classification (in thousands of dollars)

Identification code 05-84-0300-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	1,376	1,548	1,571
11.3 Positions other than permanent.....	24	26	45

APPENDIX TO THE BUDGET FOR FISCAL YEAR 1970

11.5 Other personnel compensation.....	1	4	4
Total personnel compensation	1,402	1,578	1,620
12.1 Personnel benefits: Civilian employees.....	104	118	121
21.0 Travel and transportation of persons.....	9	13	13
22.0 Transportation of things.....	2	4	4
23.0 Rent, communications, and utilities.....	43	48	48
24.0 Printing and reproduction.....	46	56	56
Binding.....	107	103	103
25.0 Other services.....	694	1,100	1,040
26.0 Supplies and materials.....	29	12	12
31.0 Equipment.....	158	292	210
99.0 Total obligations	2,595	3,324	3,227

Personnel Summary

Total number of permanent positions.....	207	210	211
Full-time equivalent of other positions.....	5	4	7
Average number of all employees.....	176	178	181
Average GS grade.....	7.0	7.4	7.4
Average GS salary.....	\$7,963	\$8,737	\$8,823

LIBRARY FACILITIES

Program and Financing (in thousands of dollars)

Identification code 05-84-0301-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Plans and specifications.....	32	55	-----
2. Construction of facilities.....	4,252	1,718	-----
Total program costs, funded	4,284	1,773	-----
Change in selected resources ¹	-4,041	-1,252	-----
10 Total obligations	243	521	-----
Financing:			
21 Unobligated balance available, start of year.....	-764	-521	-----
24 Unobligated balance available, end of year.....	521	-----	-----
Budget authority	-----	-----	-----
Relation of obligations to outlays:			
71 Total obligations incurred, net.....	243	521	-----
72 Obligated balance, start of year.....	5,566	1,592	-----
74 Obligated balance, end of year.....	-1,592	-----	-----
90 Outlays	4,217	2,113	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$5,294 thousand (1968 adjustments, -\$4,041 thousand); 1968, \$1,253 thousand; 1969, \$0; 1970, \$0.

Funds for the preparation of plans, specifications, and drawings for new facilities were appropriated in 1964.

Funds were appropriated in fiscal year 1966 for construction of the new library at Beltsville, Md. The construction contract was awarded in November 1966. The cornerstone of the building was laid on September 28, 1967. During fiscal year 1968, the exterior construction was completed, inventories of existing equipment and furniture were made, and plans for transferring the collection early in calendar year 1969 were developed.

Object Classification (in thousands of dollars)

Identification code 05-84-0301-0-1-355	1968 actual	1969 est.	1970 est.
NATIONAL AGRICULTURAL LIBRARY			
25.0 Other services.....	3	-----	-----
31.0 Equipment.....	-----	14	-----
32.0 Lands and structures.....	-----	34	-----
Total obligations, National Agricultural Library	3	48	-----

ALLOCATION TO GENERAL SERVICES
ADMINISTRATION

24.0	Printing and reproduction.....	1	-----
25.0	Other services.....	17	1
31.0	Equipment.....	-----	150
32.0	Lands and structures.....	223	321
Total obligations, General Services Administration.....		240	473
99.0	Total obligations.....	243	521

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations as follows:

Agriculture:

"Working capital fund,"

Agricultural Research Service, "Salaries and expenses (pesticides coordination fund)."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-84-3989-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Agricultural library services (includes Department of Agriculture and Farm Credit Administration).....	16	19	19
2. Agency for International Development (Funds appropriated to the President).....	3	-----	-----
10 Total program costs, funded—obligations.....	19	19	19
Financing:			
11 Receipts and reimbursements from: Federal funds.....	—19	—19	—19
Budget authority.....	-----	-----	-----

Relation of obligations to outlays:

71	Obligations incurred, net.....	-----	-----
90	Outlays.....	-----	-----

Object Classification (in thousands of dollars)

11.1	Personnel compensation: Permanent positions.....	17	16	16
12.1	Personnel benefits: Civilian employees.....	1	1	1
23.0	Rent, communications, and utilities.....	-----	1	1
25.0	Other services.....	1	1	1
99.0	Total obligations.....	19	19	19

Personnel Summary

Total number of permanent positions.....	2	2	2
Average number of all employees.....	2	2	2
Average GS grade.....	7.0	7.4	7.4
Average GS salary.....	\$7,963	\$8,737	\$8,823

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-84-8200-0-7-355	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 21.0).....	1	-----	-----
Financing:			
60 Budget authority (appropriation).....	1	-----	-----

Relation of obligations to outlays:

71	Obligations incurred, net.....	1	-----
90	Outlays.....	1	-----

Miscellaneous funds received from States, local organizations, individuals, and others are available for library services under cooperative agreements (7 U.S.C. 450b, 450h).

OFFICE OF MANAGEMENT SERVICES

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, **[\$2,841,600]** \$3,069,000. (7 U.S.C. 2201, 2202, 2235; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-88-0700-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Management support activities (program costs, funded) ¹	3,336	3,528	3,669
Change in selected resources ²	27	-----	-----
10 Total obligations.....	3,364	3,528	3,669
Financing:			
11 Receipts and reimbursements from: Federal funds.....	—634	—570	—600
25 Unobligated balance lapsing.....	15	-----	-----
Budget authority.....	2,746	2,958	3,069
Budget authority:			
40 Appropriation.....	2,667	2,842	3,069
42 Transferred from other accounts.....	79	-----	-----
43 Appropriation (adjusted).....	2,746	2,842	3,069
44.20 Proposed supplemental for civilian pay act increases.....	-----	116	-----

Relation of obligations to outlays:

71	Obligations incurred, net.....	2,730	2,958	3,069
72	Obligated balance, start of year.....	99	216	223
74	Obligated balance, end of year.....	—216	—223	—231
77	Adjustments in expired accounts.....	—5	-----	-----
90	Outlays, excluding pay increase supplemental.....	2,609	2,840	3,056
91.20	Outlays from civilian pay act supplemental.....	-----	111	5

¹ Includes capital outlay as follows: 1968, \$27 thousand; 1969, \$5 thousand; 1970, \$17 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$25 thousand (1968 adjustments, —\$5 thousand); 1968, \$47 thousand; 1969, \$47 thousand; 1970, \$47 thousand.

The Office of Management Services (OMS) provides consolidated and centralized management support services to several agencies and offices of the Department. It was established by Secretary's Memorandum No. 1529, dated January 29, 1963, to provide greater economy and effectiveness in the rendering of management service and advice through improved utilization of manpower and management techniques, increased specialization of professional skills, and more extensive use of timesaving equipment.

The consolidated management support functions include budget and finance, personnel and related programs, administrative services, and public information work.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

These functions are financed by direct appropriation to OMS, except for any agency activity performed for others on a reimbursable or advance payment basis. OMS is reimbursed for management support of these activities.

The organization structure of OMS is based upon these functions with operating divisions providing the services for the following agencies and offices: Office of the Secretary, Office of Budget and Finance, Office of Hearing Examiners, Judicial Officer, Office of Management Improvement, Office of Personnel, Office of Plant and Operations, Rural Community Development Service, Office of Information, National Agricultural Library, Office of the General Counsel, Office of the Inspector General, Farmer Cooperative Service, Commodity Exchange Authority, Cooperative State Research Service, Economic Research Service, Statistical Reporting Service, and the Packers and Stockyards Administration.

Object Classification (in thousands of dollars)

Identification code 05-88-0700-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	2,702	2,831	2,930
11.3 Positions other than permanent.....	24	20	24
11.5 Other personnel compensation.....	21	24	24
Total personnel compensation.....	2,747	2,875	2,978
12.1 Personnel benefits: Civilian employees.....	206	218	226
21.0 Travel and transportation of persons.....	17	16	22
22.0 Transportation of things.....	2	5	2
23.0 Rent, communications, and utilities.....	121	160	163
24.0 Printing and reproduction.....	75	92	99
25.0 Other services.....	145	128	129
26.0 Supplies and materials.....	35	29	33
31.0 Equipment.....	16	5	17
99.0 Total obligations.....	3,364	3,528	3,669

Personnel Summary

Total number of permanent positions.....	356	358	371
Full-time equivalent of other positions.....	5	5	5
Average number of all employees.....	340	334	347
Average GS grade.....	7.1	7.6	7.6
Average GS salary.....	\$8,175	\$9,034	\$9,070
Average salary of ungraded positions.....	\$5,636	\$5,869	\$6,017

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriation as follows:
Packers and Stockyards Administration. "Salaries and expenses."

GENERAL ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$5,000 for employment under 5 U.S.C. 3109, [\$4,614,000] \$5,052,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for,

as determined by the Secretary. (7 U.S.C. 450c-450g, 2201-2206, 2210-2213; secs. 2201, 2202—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (7 U.S.C. 450b, 2220), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U.S.C. 5901; 7 U.S.C. 2231, 2232, 2235; 42 U.S.C. 2000d; Department of Agriculture and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-92-0115-0-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Program and policy direction and coordination:			
(a) Office of the Secretary and Under Secretary.....	1,040	1,224	1,313
(b) Assistant secretaries.....	348	372	372
2. Budgetary and financial administration.....	768	917	917
3. General operations.....	724	780	780
4. Management improvement.....	186	211	211
5. Personnel administration.....	821	902	902
6. Regulatory hearings and decisions.....	252	276	276
7. Equal opportunity.....	273	321	571
Total program costs, funded ¹	4,412	5,003	5,342
Change in selected resources ²	119	-----	-----
10 Total obligations.....	4,531	5,003	5,342
Financing:			
11 Receipts and reimbursements from: Federal funds: For emergency preparedness functions.....	-168	-201	-290
25 Unobligated balance lapsing.....	235	-----	-----
Budget authority.....	4,598	4,802	5,052
Budget authority:			
40 Appropriation.....	4,487	4,614	5,052
42 Transferred from other accounts.....	111	-----	-----
43 Appropriation (adjusted).....	4,598	4,614	5,052
44.20 Proposed supplemental for civilian pay act increases.....	-----	188	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	4,363	4,802	5,052
72 Obligated balance, start of year.....	196	212	292
74 Obligated balance, end of year.....	-212	-292	-292
77 Adjustments in expired accounts.....	-13	-----	-----
90 Outlays, excluding pay increase supplemental.....	4,335	4,539	5,047
91.20 Outlays from civilian pay act supplemental.....	-----	183	5

¹ Includes capital outlay as follows: 1968, \$16 thousand; 1969, \$20 thousand; 1970, \$20 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$1 thousand (1968 adjustments, -\$13 thousand); 1968, \$108 thousand; 1969, \$108 thousand; 1970, \$108 thousand.

General administration covers the overall planning, coordination and administration of the Department's programs. Also included are certain services on a departmentwide basis.

2. *Budgetary and financial administration.*—This covers departmental budgetary and financial management; policies and procedures are promulgated, and programs and legislative proposals are evaluated for budgetary, financial and related implications.

3. *General operations.*—These embrace departmental policies and procedures for real and personal property, and supply activities. Departmentwide central services of mail distribution, telephone, telegraph, reproduction, and supply are furnished.

4. *Management improvement.*—This covers the coordination and direction of the development of new and improved management techniques, acquisition and utilization

tion of data processing equipment, development of methods of measuring the effectiveness of program operations, records management, and the application of operations research techniques, to the administrative, program, and scientific activities of the Department.

5. *Personnel administration.*—This covers general direction, leadership, and coordination of the personnel management program of the Department. Departmental policies and procedures are issued and the office coordinates a review program to evaluate the effectiveness of agency personnel programs. The cost reduction and related management improvement programs for the Department are also administered by this office.

6. *Regulatory hearings and decisions.*—The hearing examiners hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. "Agriculture Decisions" is published monthly.

7. *Equal Opportunity.* This covers program and policy direction in the development and enforcement of Department equal opportunity responsibilities; reviews, analyzes and evaluates agency programs and operations to ascertain compliance with applicable policies, rules and regulations of the Department and the Government. Processes complaints made to the Department on discrimination in Department programs and provides final Department disposition.

Object Classification (in thousands of dollars)

Identification code 05-92-0115-0-1-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	3,534	3,963	4,257
11.3 Positions other than permanent.....	31	24	24
11.5 Other personnel compensation.....	26	27	27
11.8 Special personal service payments.....	16	-----	-----
Total personnel compensation.....	3,607	4,014	4,308
12.1 Personnel benefits: Civilian employees.....	268	305	323
21.0 Travel and transportation of persons.....	164	190	198
22.0 Transportation of things.....	2	4	4
23.0 Rent, communications, and utilities.....	176	177	181
24.0 Printing and reproduction.....	129	116	117
25.0 Other services.....	123	147	149
26.0 Supplies and materials.....	37	36	39
31.0 Equipment.....	25	14	23
99.0 Total obligations.....	4,531	5,003	5,342

Personnel Summary

Total number of permanent positions.....	332	322	343
Full-time equivalent of other positions.....	1	0	0
Average number of all employees.....	290	309	329
Average GS grade.....	7.8	7.8	8.0
Average GS salary.....	\$9,420	\$10,197	\$10,296
Average salary of ungraded positions.....	\$6,065	\$6,243	\$6,246

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 05-92-4609-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
1. Supply and other central services:			
(a) Cost of goods sold.....	499	500	500
(b) Other.....	1,177	1,257	1,257

2. Reproduction services:			
(a) Cost of goods sold.....	313	411	411
(b) Other.....	1,107	1,505	1,505
3. Motion picture, photographic, and other visual information services:			
(a) Cost of goods sold.....	177	176	176
(b) Other.....	1,835	1,776	1,776
4. Automatic data processing services:			
(a) Cost of service.....	3,993	4,156	4,156
5. Planning, evaluation, and programming services:			
(a) Cost of service.....	-10	-----	-----
Total operating costs.....	9,092	9,781	9,781

Capital outlay, funded:

Purchase of equipment:			
1. Supply and other central services.....	3	-----	-----
2. Reproduction services.....	136	66	55
3. Motion picture, photographic, and other visual information services.....	132	60	60
4. Automatic data processing services.....	10	12	12
Total capital outlay, funded.....	281	138	127
Total program costs, funded.....	9,373	9,919	9,908
Change in selected resources ¹	-2	-----	-----
10 Total obligations.....	9,372	9,919	9,908

Financing:

Receipts and reimbursements from:			
11 Federal funds: Revenue:			
Supply and other central services.....	-1,680	-1,762	-1,762
Reproduction services.....	-1,423	-1,928	-1,928
Motion picture, photographic, and other visual information services.....	-1,923	-1,885	-1,885
Automatic data processing services.....	-3,933	-4,170	-4,188
Decrease in unfilled customers orders.....	173	-----	-----
14 Non-Federal sources: Revenue:			
Supply and other central services.....	-6	-----	-----
Reproduction services.....	-22	-20	-20
Motion picture, photographic, and other visual information services.....	-95	-108	-108
21 Unobligated balance available, start of year.....	-1,331	-869	-823
24 Unobligated balance available, end of year.....	869	823	806

Budget authority.....

Relation of obligations to outlays:			
71 Obligations incurred, net.....	463	46	17
72 Receivables in excess of obligations, start of year.....	-942	-275	-304
74 Receivables in excess of obligations, end of year.....	275	304	351
90 Outlays.....	-204	75	64

¹ Balances of selected resources are identified on the statement of financial condition.

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating, photographic, and other visual information services, art and graphics, motion picture, tabulating, supply, library photocopy and microfilming services, civil defense activities, interagency employee training programs, mail and messenger services, and the centralized automatic data processing system for payroll, financial management, and other services. The capital consists of \$400 thousand appropriated (5 U.S.C. 542-1) and \$610 thousand donated assets, as of June 30, 1968. Earnings are retained to furnish adequate working capital.

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Supply and other central services:			
Revenue.....	1,686	1,762	1,762
Expense.....	-1,682	-1,762	-1,762
Net operating income, other central services program.....	4		
Reproduction services:			
Revenue.....	1,445	1,948	1,948
Expense.....	-1,444	-1,948	-1,948
Net operating income, reproduction services program.....	1		
Motion picture, photographic, and other visual information services:			
Revenue.....	2,018	1,993	1,993
Expense.....	-2,054	-1,993	-1,993
Net operating loss, motion picture, photographic, and other visual information services program.....	-36		
Automatic data processing services:			
Revenue.....	3,933	4,170	4,188
Expense.....	-4,022	-4,188	-4,188
Net operating loss, automatic data processing services.....	-89	-18	
Planning, evaluation, and programing services:			
Revenue.....			
Expense.....	10		
Net operating income or loss, planning, evaluation, and programing services.....	10		
Net income for the year.....	-110	-18	
Analysis of retained earnings:			
Retained earnings, start of year.....	430	320	302
Retained earnings, end of year.....	320	302	302

Financial Condition (in thousands of dollars)

	1967 actual	1968 actual	1969 est.	1970 est.
Assets:				
Treasury balance.....	390	594	519	455
Accounts receivable, net.....	1,314	1,170	1,236	1,283
Selected assets: ¹				
Advances.....	10	6	6	6
Commodities for sale.....	279	315	314	314
Supplies, deferred charges, etc.....	80	109	109	109
Fixed assets, net.....	540	750	778	795
Total assets.....	2,613	2,943	2,962	2,962
Liabilities:				
Accounts payable and accrued liabilities.....	1,200	1,612	1,649	1,649
Government equity:				
Non-interest-bearing capital:				
Start of year.....	983	983	1,011	1,011
Donated assets, net.....	1	27		
End of year.....	983	1,011	1,011	1,011
Retained earnings.....	430	320	302	302
Total Government equity.....	1,413	1,331	1,313	1,313

Analysis of Government Equity (in thousands of dollars)

Unpaid undelivered orders ¹	273	211	211	211
Unobligated balance.....	1,331	869	823	806
Unfilled customers orders.....	-1,101	-928	-928	-928
Invested capital and earnings.....	910	1,179	1,207	1,224
Total Government equity.....	1,413	1,331	1,313	1,313

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

Identification code 05-92-4609-0-4-355	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	3,850	4,299	4,299
11.3 Positions other than permanent.....	261	256	256
11.5 Other personnel compensation.....	151	115	115
11.8 Special personal service payments.....	5	8	8
Total personnel compensation.....	4,267	4,678	4,678
12.1 Personnel benefits: Civilian employees.....	310	343	343
21.0 Travel and transportation of persons.....	51	57	57
22.0 Transportation of things.....	25	25	25
23.0 Rent, communications, and utilities.....	596	721	721
24.0 Printing and reproduction.....	259	234	234
25.0 Other services.....	2,390	2,466	2,466
26.0 Supplies and materials.....	1,234	1,249	1,249
31.0 Equipment.....	232	146	135
42.0 Insurance claims and indemnities.....	7		
99.0 Total obligations.....	9,372	9,919	9,908

Personnel Summary

Total number of permanent positions.....	606	615	615
Full-time equivalent of other positions.....	68	63	63
Average number of all employees.....	595	633	633
Average GS grade.....	6.4	6.6	6.6
Average GS salary.....	\$7,656	\$8,166	\$8,196
Average salary of ungraded positions.....	\$6,082	\$6,258	\$6,261

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-92-3900-0-4-355	1968 actual	1969 est.	1970 est.
Program by activities:			
Miscellaneous services to other accounts:			
(a) Department of Agriculture.....	65	75	75
(b) Other agencies.....	100	113	38
10 Total program costs, funded—obligations.....	165	188	113
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-165	-188	-113
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
90 Outlays.....			

Object Classification (in thousands of dollars)

Personnel compensation:			
11.1 Permanent positions.....	101	110	60
11.3 Positions other than permanent.....	1	3	3
Total personnel compensation.....	102	113	63
12.1 Personnel benefits: Civilian employees.....	7	8	4
21.0 Travel and transportation of persons.....	22	43	22
23.0 Rent, communications, and utilities.....	3	3	3
24.0 Printing and reproduction.....	12	8	8
25.0 Other services.....	15	11	11
26.0 Supplies and materials.....	4	2	2
99.0 Total obligations.....	165	188	113

Personnel Summary			
Total number of permanent positions.....	8	7	4
Average number of all employees.....	8	7	4
Average GS grade.....	7.8	7.8	8.0
Average GS salary.....	\$9,420	\$10,197	\$10,296
Average salary of ungraded positions.....	\$6,065	\$6,243	\$6,246

FOREST SERVICE

The Service carries on three primary functions: (1) protection, development, and use of about 187 million acres of land in national forests and national grasslands in the United States and Puerto Rico; (2) forestry research for all public and private forest lands and related ranges to improve protection from fire, insects, and diseases; to increase production of timber, forage, water, and other products; to improve methods for developing and managing recreation resources; to develop better utilization and marketing of forest products; and to maintain a current inventory of forest resources through a nationwide forest survey; and (3) cooperation with States and private landowners to obtain better fire protection on approximately 517 million acres of forest land and nonforest watersheds; to provide technical advice and financial assistance to promote development, improvement, and expansion of forest pest detection and suppression programs; to improve forest practices on about 367 million acres of privately owned commercial timber lands; and to encourage reforestation and stimulate development and management of State, county, and community forests.

These primary functions include construction and maintenance of roads and trails, control of forest pests, protection against floods, land acquisition and exchange, and a number of cooperative projects.

Federal Funds

General and special funds:

FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands; [\$184,444,000] \$196,518,000, of which \$4,275,000 for fighting and preventing forest fires and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That not more than \$1,300,000 of this appropriation may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519): *Provided further*, That funds appropriated for "Cooperative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law; [\$38,866,000] \$41,425,000.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law; [\$19,833,000] \$20,529,000. (7 U.S.C. 428a, 1010-1012, 1621-1627, 2201, 2202, 2250; 16 U.S.C. 207c, 471-583i, 594-1-594-5, 594a, 1004, 1005; 30 U.S.C. 601-604, 611-615; 31 U.S.C. 534; 42 U.S.C. 1891-1893; 43 U.S.C. 1181h-1181j; 36 Stat. 557-579; 67 Stat. 633; Department of the Interior and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)					
Identification code 05-96-1100-0-1-402		1968 actual	1969 est.	1970 est.	
Program by activities:					
1. Forest land management:					
(a) National forest protection and management.....		155,640	166,215	173,166	
(b) Water resource development related activities.....		7,752	8,903	8,353	
(c) Fighting forest fires.....		46,729	6,161	4,275	
(d) Insect and disease control..		10,080	12,195	9,973	
(e) Acquisition of lands.....		1,380	1,530	1,300	
Total, forest land management.....		221,581	195,004	197,067	
2. Forest research:					
(a) Forest and range management.....		16,179	16,537	16,819	
(b) Forest protection.....		9,560	10,368	10,748	
(c) Forest products and engineering.....		7,735	8,137	8,484	
(d) Forest resource economics..		4,624	4,996	5,160	
(e) Forest research construction.....		4,748	2,949	474	
Total, forest research..		42,846	42,987	41,685	
3. State and private forestry cooperation:					
(a) Forest fire control.....		14,430	14,420	14,396	
(b) Forest tree planting.....		490	306	306	
(c) Forest management and processing.....		3,429	3,600	4,048	
(d) General forestry assistance..		1,485	1,662	1,680	
Total, State and private forestry cooperation...		19,834	19,988	20,430	
Total program costs, funded ¹		284,261	257,979	259,182	
Change in selected resources ²		-16	-7,750	-10	
10	Total obligations.....	284,245	250,229	259,172	
Financing:					
Receipts and reimbursements from:					
11	Federal funds.....	-700	-700	-700	
13	Trust funds.....	-600	-----	-----	
22	Unobligated balance transferred from other accounts.....	-672	-----	-----	
25	Unobligated balance lapsing.....	2,776	-----	-----	
Budget authority.....		285,049	249,529	258,472	
Budget authority:					
40	Appropriation.....	270,949	243,143	258,472	
41	Transferred to other accounts.....	-280	-546	-----	
42	Transferred from other accounts.....	14,380	-----	-----	
43	Appropriation (adjusted).....	285,049	242,597	258,472	
44.20	Proposed supplemental for civilian pay increase.....	-----	6,932	-----	
Relation of obligations to outlays:					
71	Obligations incurred, net.....	282,945	249,529	258,472	
72	Obligated balance, start of year.....	33,993	36,877	26,967	
74	Obligated balance, end of year.....	-36,877	-26,967	-27,845	
77	Adjustments in expired accounts.....	-215	-----	-----	
90	Outlays, excluding pay increase supplemental.....	279,846	253,060	257,041	
91.20	Outlays from civilian pay act supplemental.....	-----	6,379	553	
¹ Includes capital outlay as follows: 1968, \$35,129 thousand; 1969, \$32,000 thousand; 1970, \$33,200 thousand.					
² Selected resources as of June 30 are as follows:					
		1967	1968	1969	1970
Stores.....		3,131	3,785	3,785	3,785
Unpaid undelivered orders.....		24,173	-255	23,565	15,815
Advances.....		717	400	400	400
Total selected resources		28,021	-255	27,750	20,000

General and special funds—Continued

FOREST PROTECTION AND UTILIZATION—Continued

1. *Forest land management.*—(a) *National forest protection and management.*—The 154 national forests and 19 units of national grasslands are managed under multiple use and sustained yield principles. The natural resources of outdoor recreation, range, timber, watershed, and wildlife are utilized in a planned combination that will best meet the needs of the Nation without impairing productivity of the land. These management and utilization principles were recognized in the Multiple Use-Sustained Yield Act of June 12, 1960 (74 Stat. 215). Work programs and budget estimates are related to the development program for the national forests, a plan to meet the increasing demands for specific national forest resource needs through 1972 and for long-term objectives to the year 2000. Increases are provided in the budget to further attainment of these program objectives. Construction funds of \$19.8 million are budgeted for construction or rehabilitation of campground and picnic facilities and other recreation improvements, the construction of dwellings or barracks for employee housing, fire lookouts, service and storage buildings, communication facilities, and other improvements. Funds appropriated under cooperative range improvements are merged with this appropriation for obligational purposes.

MAIN WORKLOAD FACTORS

Description	1968 actual	1969 estimate	1970 estimate
Area administered and protected:			
(a) National forest lands (acres)-----	182,959,231	182,959,231	182,959,231
(b) National grasslands (acres)-----	3,808,398	3,808,398	3,808,398
(c) Land utilization projects (acres)-----	153,567	153,567	153,567
Timber managed and protected (billion board feet)-----	1,173	1,174	1,175
Timber sales (number)-----	104,577	105,000	106,000
Timber harvested (billion board feet)-----	12.1	12.7	13.0
Grazing use permits (calendar year)-----	62,000	62,000	62,000
Estimated number of livestock on national forest ranges (including calves and lambs)-----	7,200,000	7,200,000	7,200,000
Special use permits, excluding recreation (number)-----	44,600	45,700	46,500
Recreation special use permits (number)-----	23,300	23,400	23,500
Estimated number of visitor days to national forests (calendar year)-----	149,700,000	160,200,000	171,400,000
Tree planting and seeding (acres)-----	107,525	109,400	110,000
Timber stand improvement (acres treated)-----	143,521	125,000	125,000
Range reseeding and removal of competing vegetation (acres)-----	197,700	203,600	218,600
Receipts (thousands of dollars):			
Timber sales-----	205,609	214,500	224,800
Grazing and power-----	3,640	3,645	3,705
Recreation-----	2,264	2,265	2,300
Admission and user fees-----	912	915	925
Land uses-----	3,964	3,960	4,010
National grasslands and land utilization-----	1,934	1,885	1,885
Total receipts-----	218,323	227,170	237,625

(b) *Water resource development related activities.*—This activity provides for the development of recreational facilities and for other activities required by water resource projects of other agencies located within or adjacent to the national forests.

(c) *Fighting forest fires.*—This provides for employment of additional manpower and other facilities for forest fire emergencies which cannot be met by the fire control organization provided under national forest protection and

management. Costs above the amounts estimated for the current and budget years are authorized to be met from advances from other Forest Service appropriations. In addition, a supplemental appropriation for fighting forest fires is anticipated for 1969 under Proposed for later transmission.

	Calendar year		
	1967 actual	1968 estimate	1969 estimate
Forest fires controlled (number)-----	11,771	10,000	10,000
Area burned (acres)-----	204,106	215,000	220,000

(d) *Insect and disease control.*—Activities to suppress and control destructive insects and diseases that threaten timber areas include two types of work carried on jointly by Federal, State, and private agencies: (1) Surveys on forest lands to detect and evaluate infestations of forest insects and infections of tree diseases and determination of protective measures to be taken, and (2) control operations to suppress or eradicate forest insects and diseases, including white pine blister rust.

(e) *Acquisition of lands.*—Lands are purchased to protect the watersheds of navigable streams and to increase the production of timber with the approval of the National Forest Reservation Commission.

2. *Forest research.*—Research is conducted at eight regional forest experiment stations, the Forest Products Laboratory, and the Institute of Tropical Forestry.

(a) *Forest and range management.*—This research provides private and public land managers and owners with a sound basis for management of timber, forage, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage for domestic livestock and improve habitat for wildlife without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce floods and sedimentation; and improve methods for developing and managing recreation resources.

(b) *Forest protection.*—Research is conducted to develop sound measures for the protection of forests from damage by fire, insects, and diseases. Forest fire research provides improved methods of predicting fire danger, and preparing for and combating fire by combinations of ground and aerial methods. Insect and disease research develops direct controls, silvicultural measures, and biological agents to combat forest pests.

(c) *Forest products and engineering.*—Studies are conducted to develop new and improved forest products, reduction and utilization of waste, and use of low-quality wood and less-desirable species. They include studies to reduce costs of logging and wood utilization, and to develop basic knowledge of wood and disseminate this to forest owners, manufacturers, fabricators, and consumers. Research is also conducted to advance the mechanization and efficiency of forestry operations, and to develop and evaluate machines and similar equipment for such operations as logging, planting, timber-stand improvement, and protection of forests.

(d) *Forest resource economics.*—These investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, and the potential need for timber products. Studies of the economics of forest crop production and of marketing of forest products are also included.

3. *State and private forestry cooperation.*—These programs are carried on with the States, with other public

agencies, and with private agencies and individuals. Their purposes are to improve forest management on private and non-Federal public lands, and improve the production of forest products and services. By so doing, the welfare of rural people will improve and an adequate supply of forest resources for the future will be assured. The privately owned forest lands that are involved comprise three-fourths of the Nation's commercial forest area and produce about 75% of all timber cut.

(a) *Forest fire control.*—Assistance is furnished 50 States in preventing and suppressing forest fires on private and State-owned lands by financial aid, training, procurement of equipment, and a nationwide fire prevention campaign. About 93% of the 517 million acres of non-Federal ownership planned for protection is now covered. During 1967 the acreage burned on protected areas was 0.40% as against an estimated 6.36% on unprotected lands. Of the total expenditures under this program, 84.2% is contributed by States and counties, 1.6% by private owners, and 14.2% by the Federal Government.

(b) *Forest tree planting.*—To encourage woodland owners to reforest unproductive portions of their holdings, and farmers to plant wind barriers around their fields and farmsteads—a total of more than 70 million acres altogether—the States provide planting stock at reasonable prices. The Federal Government shares the cost of producing the stock with the State and private landowners.

(c) *Forest management and processing.*—In cooperation with 49 States, Puerto Rico, and the Virgin Islands, technical assistance is given to woodland owners in applying good multiple-use management to their forest holdings. Also, assistance is provided operators of small primary forest products manufacturing plants to improve their production and marketing. In 1968, 106,328 owners and 11,096 processors were assisted.

(d) *General forestry assistance.*—Technical forest management assistance is provided to State, community, private, and other Federal agencies, forest industries, colleges, and landowners.

Object Classification (in thousands of dollars)

Identification code 05-96-1100-0-1-402	1968 actual	1969 est.	1970 est.
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	113,198	112,241	115,955
11.3 Positions other than permanent....	26,895	28,299	29,409
11.5 Other personnel compensation.....	10,313	5,904	6,056
11.8 Special personal service payments....	5,902	537	537
Total personnel compensation.....	156,308	146,981	151,957
12.1 Personnel benefits: Civilian employees..	13,603	12,787	13,214
13.0 Benefits for former personnel.....	7	7	7
21.0 Travel and transportation of persons....	8,127	6,000	7,000
22.0 Transportation of things.....	10,539	9,760	9,325
23.0 Rent, communications, and utilities....	6,659	4,590	5,000
24.0 Printing and reproduction.....	1,668	1,635	1,475
25.0 Other services.....	32,037	23,795	23,908
26.0 Supplies and materials.....	18,533	13,530	15,354
31.0 Equipment.....	6,153	4,390	5,445
32.0 Lands and structures.....	10,247	8,320	8,000
41.0 Grants, subsidies, and contributions....	18,185	18,385	16,790
42.0 Insurance claims and indemnities.....	199	40	175
44.0 Refunds.....	5		
Subtotal.....	282,270	250,220	257,650
95.0 Quarters and subsistence charges.....	-1,417	-1,200	-1,400
Total obligations, Forest Service...	280,853	249,020	256,250

ALLOTMENT ACCOUNTS

Personnel compensation:			
11.1 Permanent positions.....	271	324	329
11.3 Positions other than permanent.....	312	355	357
11.5 Other personnel compensation.....	10	11	11
Total personnel compensation.....	593	690	697
12.1 Personnel benefits: Civilian employees..	33	40	40
21.0 Travel and transportation of persons....	95	92	91
22.0 Transportation of things.....	33	34	34
23.0 Rent, communications, and utilities....	9	12	12
24.0 Printing and reproduction.....	26	24	32
25.0 Other services.....	530	230	332
26.0 Supplies and materials.....	47	61	59
31.0 Equipment.....	18	26	25
32.0 Lands and structures.....	2,007		1,600
42.0 Insurance claims and indemnities.....	1		
Total obligations, allotment accounts.....	3,392	1,209	2,922
99.0 Total obligations.....	284,245	250,229	259,172

Obligations are distributed as follows:

Department of Agriculture, Forest Service..	280,853	249,020	256,250
Department of the Interior.....	954	1,209	1,176
General Services Administration.....	2,438		1,746

Personnel Summary

FOREST SERVICE			
Total number of permanent positions.....	13,902	13,191	13,712
Full-time equivalent of other positions.....	6,474	5,604	5,810
Average number of all employees.....	19,618	17,950	18,665
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

ALLOTMENT ACCOUNTS

Total number of permanent positions.....	9	9	9
Full-time equivalent of other positions.....	25	25	25
Average number of all employees.....	33	32	32
Average GS grade.....	8.3	8.4	8.5
Average GS salary.....	\$8,982	\$9,536	\$9,570
Average salary of ungraded positions.....	\$6,519	\$6,575	\$6,570

Proposed for separate transmittal, existing legislation:

FOREST PROTECTION AND UTILIZATION

Program and Financing (in thousands of dollars)

Identification code 05-96-1100-1-1-402	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Forest land management: Fighting forest fires (costs—obligations).....		19,324	
Financing:			
40 Budget authority (proposed supplemental appropriation).....		19,324	
Relation of obligations to outlays:			
71 Obligations incurred, net.....		19,324	
90 Outlays.....		19,324	

A supplemental appropriation of \$19.3 million for 1969 is anticipated for fighting forest fires.

COOPERATIVE RANGE IMPROVEMENTS

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1969.*)

General and special funds—Continued

COOPERATIVE RANGE IMPROVEMENTS—Continued

Program and Financing (in thousands of dollars)

Identification code 05-96-5207-0-2-402	1968 actual	1969 est.	1970 est.
Program by activities:			
10 Advanced to forest protection and utilization (costs—obligations) (object class 25.0)	700	700	700
Financing:			
40 Budget authority (appropriation) (special fund)	700	700	700
Relation of obligations to outlays:			
71 Obligations incurred, net	700	700	700
90 Outlays	700	700	700

Part of the grazing fees from the national forests, when appropriated, are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock watering facilities, bridges, corrals, and driveways. These funds are advanced to and merged with the appropriation Forest protection and utilization, subappropriation Forest land management.

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, [\$91,000,000] \$99,570,000, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501), shall be merged with and made a part of this appropriation: *Provided further*, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act. (7 U.S.C. 2250; 16 U.S.C. 532-536; 23 U.S.C. 101, 125, 209; 79 Stat. 132; Department of the Interior and Related Agencies Appropriation Act, 1969.)

Program and Financing (in thousands of dollars)

Identification code 05-96-2262-0-1-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Construction of roads and trails ..	89,615	86,641	100,956
2. Maintenance of roads and trails ..	33,955	23,004	25,191
Total program costs, funded ¹ ..	123,570	109,645	126,147
Change in selected resources ²	-54	5,677	-650
10 Total obligations	123,516	115,322	125,497
Financing:			
11 Receipts and reimbursements from:			
Federal funds	-17,566	-20,931	-21,830
21.49 Unobligated balance available, start of year: Contract authorization	-169,992	-234,042	-309,651
24.49 Unobligated balance available, end of year: Contract authorization	234,042	309,651	375,984
Budget authority	170,000	170,000	170,000
Budget authority:			
Current:			
49 Contract authorization (82 Stat. 815 and 23 U.S.C. 203)		170,000	
Permanent:			
69 Contract authorization (80 Stat. 766; 82 Stat. 815; and 23 U.S.C. 203)	170,000		170,000

Relation of obligations to outlays:

71 Obligations incurred, net	105,950	94,391	103,667
Obligated balance, start of year:			
72.40 Appropriation	8,807	13,521	3,000
72.49 Contract authorization	36,634	32,584	35,975
Obligated balance, end of year:			
74.40 Appropriation	-13,521	-3,000	
74.49 Contract authorization	-32,584	-35,975	-40,072
90 Outlays	105,286	101,521	102,570

Status of Unfunded Contract Authorization (in thousands of dollars)

Unfunded balance, start of year	206,626	266,626	345,626
Contract authorization	170,000	170,000	170,000
Unfunded balance, end of year	-266,626	-345,626	-416,056

Appropriation to liquidate contract authorization	110,000	91,000	99,570
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¹ Includes capital outlay as follows: 1968, \$67,754 thousand; 1969, \$63,500 thousand; 1970, \$65,000 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$34,597 thousand (1968 adjustment \$2 thousand); 1968, \$34,545 thousand; 1969, \$40,222 thousand; 1970, \$39,572 thousand.

Roads and trails are essential to protection and management of national forests and utilization of their resources.

The Federal-Aid Highway Act of 1966 provides authorization of \$170 million each for 1968 and 1969. The Federal-Aid Highway Act of 1968 provides an additional authorization of \$170 million each for 1970 and 1971. These authorizations are available for obligation a year in advance of the year for which authorized. The 1969 budget provided for utilization of \$31.4 million of the \$170 million 1969 authorization and \$63 million of the unused portion of the 1968 authorization. This budget provides for utilization of the \$103.7 million of the unused portion of the 1969 authorization.

The 1970 program will involve the construction and reconstruction of about 1,038 miles of general purpose and recreation roads and timber access roads to harvest national forest timber. This compares with 1,289 miles built in 1968 and 944 miles being built in 1969.

Of the revenues received annually from national forest activities, 10% is available under the permanent appropriation Roads and trails for States, for construction and maintenance within the State from which such proceeds are derived. Such amounts are merged with this appropriation for obligational purposes.

Object Classification (in thousands of dollars)

Identification code 05-96-2262-0-1-402	1968 actual	1969 est.	1970 est.
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions	35,148	34,822	37,467
11.3 Positions other than permanent	13,074	14,046	14,992
11.5 Other personnel compensation	639	621	623
Total personnel compensation	48,861	49,489	53,082
12.1 Personnel benefits: Civilian employees ..	4,055	4,105	4,347
13.0 Benefits for former personnel	2	1	1
21.0 Travel and transportation of persons ..	2,162	2,036	2,100
22.0 Transportation of things	3,800	2,916	3,000
23.0 Rent, communications, and utilities	2,080	1,528	2,000
24.0 Printing and reproduction	368	292	300
25.0 Other services	15,963	15,509	15,322
26.0 Supplies and materials	6,022	4,623	6,000
31.0 Equipment	2,874	1,940	2,500
32.0 Lands and structures	36,684	31,945	35,000
42.0 Insurance claims and indemnities	57	20	60
Subtotal	122,928	114,404	123,712
95.0 Quarters and subsistence charges	-260	-250	-275
Total obligations, Forest Service	122,668	114,154	123,437

ALLOTMENT TO DEPARTMENT OF
TRANSPORTATION, FEDERAL
HIGHWAY ADMINISTRATION

Personnel compensation:			
11.1 Permanent positions.....	57	62	64
11.3 Positions other than permanent.....	10	10	10
11.5 Other personnel compensation.....	3	3	3
Total personnel compensation.....	71	75	77
12.1 Personnel benefits: Civilian employees.....	6	7	7
21.0 Travel and transportation of persons.....	29	29	29
22.0 Transportation of things.....	9	9	9
23.0 Rent, communications, and utilities.....	4	4	4
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	154	154	154
26.0 Supplies and materials.....	1	1	1
32.0 Lands and structures.....	573	888	1,778
Total obligations, Department of Transportation, Federal High- way Administration.....	848	1,168	2,060
99.0 Total obligations.....	123,516	115,322	125,497

Personnel Summary

FOREST SERVICE

Total number of permanent positions.....	4,644	4,489	4,811
Full-time equivalent of other positions.....	2,542	2,643	2,821
Average number of all employees.....	6,912	6,763	7,254
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

ALLOTMENT TO DEPARTMENT OF
TRANSPORTATION, FEDERAL
HIGHWAY ADMINISTRATION

Total number of permanent positions.....	12	12	12
Full-time equivalent of other positions.....	2	2	2
Average number of all employees.....	10	10	10
Average GS grade.....	9.5	9.4	9.5
Average GS salary.....	\$10,861	\$11,637	\$11,886

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forests, in accordance with the provisions of the following Acts, authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amounts from such receipts, Cache National Forest, Utah, Act of May 11, 1938 (52 Stat. 347), as amended, \$20,000; Uinta and Wasatch National Forests, Utah, Act of August 26, 1935 (49 Stat. 866), as amended, \$20,000; Toiyabe National Forest, Nevada, Act of June 25, 1938 (52 Stat. 1205), as amended, \$8,000; [Angeles] Cleveland National Forest, California, Act of June 11, 1940 (54 Stat. [299] 297), \$32,000; in all, \$80,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of the national forests and/or for the acquisition of any land without the approval of the local government concerned. (*Department of the Interior and Related Agencies Appropriation Act, 1969.*)

Amounts Available for Appropriation (in thousands of dollars)

	1968 actual	1969 est.	1970 est.
Unappropriated balance, start of year.....	-1	-----	-----
Receipts.....	30	80	80
Unobligated balances returned to unappro- priated receipts.....	51	-----	-----
Total available for appropriation.....	80	80	80
Appropriation.....	-80	-80	-80
Unappropriated balance, end of year.....	-----	-----	-----

Program and Financing (in thousands of dollars)

Identification code 05-96-5208-0-2-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Cache National Forest, Utah.....	37	21	20
2. Uinta and Wasatch National Forests, Utah.....	14	19	20
3. Toiyabe National Forest, Nevada.....	3	8	8
4. Angeles National Forest, California.....	-----	27	-----
5. Cleveland National Forest, California.....	-----	-----	32
Total program costs, funded ¹	54	75	80
Change in selected resources ²	-24	5	-----
10 Total obligations.....	30	80	80
Financing:			
25 Unobligated balance lapsing.....	50	-----	-----
40 Budget authority (appropriation) (special fund).....	80	80	80
Relation of obligations to outlays:			
71 Obligations incurred, net.....	30	80	80
72 Obligated balance, start of year.....	58	30	30
74 Obligated balance, end of year.....	-30	-30	-30
77 Adjustment in expired accounts.....	-1	-----	-----
90 Outlays.....	57	80	80

¹ Includes capital outlay as follows: 1968, \$47 thousand; 1969, \$72 thousand; 1970, \$77 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$40 thousand (1968 adjustment, -\$1 thousand); 1968, \$15 thousand; 1969, \$20 thousand; 1970, \$20 thousand.

On the basis of agreements with certain counties in Utah, Nevada, and California, national forest receipts, including the portions which would normally be paid to county road and school funds, are used for purchase by the Government of privately owned lands within the national forests to aid in the control of soil erosion and flood damage.

Object Classification (in thousands of dollars)

Identification code 05-96-5208-0-2-402	1968 actual	1969 est.	1970 est.
11.1 Personnel compensation: Permanent positions.....	4	3	3
21.0 Travel and transportation of persons.....	1	-----	-----
25.0 Other services.....	1	-----	-----
32.0 Lands and structures.....	24	77	77
99.0 Total obligations.....	30	80	80

Personnel Summary

Total number of permanent positions.....	0	1	1
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,000,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1969.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1968 actual	1969 est.	1970 est.
Program by activities:			
Tree planting assistance (program costs, funded).....	1,001	1,070	1,000
Change in selected resources ¹	-27	-----	-----
10 Total obligations.....	974	1,070	1,000

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders: 1967, \$216 thousand; 1968, \$189 thousand; 1969, \$189 thousand; 1970, \$189 thousand.

General and special fund—Continued

ASSISTANCE TO STATES FOR TREE PLANTING—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-96-1101-0-1-402	1968 actual	1969 est.	1970 est.
Financing:			
21 Unobligated balance available, start of year	-45	-70	-----
24 Unobligated balance available, end of year	70	-----	-----
40 Budget authority (appropriation) ---	1,000	1,000	1,000
Relation of obligations to outlays:			
71 Obligations incurred, net	974	1,070	1,000
72 Obligated balance, start of year	294	275	340
74 Obligated balance, end of year	-275	-340	-340
90 Outlays	993	1,005	1,000

To carry out section 401 of the Agricultural Act of 1956 (16 U.S.C. 568e-568g), assistance is given to the State forester or other State official, through technical advice and financial contribution, to carry out tree planting and reforestation work in accordance with plans submitted by the State and approved by the Secretary of Agriculture.

Object Classification (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions	130	180	140
11.3 Positions other than permanent	1	3	-----
Total personnel compensation	131	183	140
12.1 Personnel benefits: Civilian employees	13	15	10
21.0 Travel and transportation of persons	5	18	4
22.0 Transportation of things	2	2	1
23.0 Rent, communications, and utilities	-----	1	1
24.0 Printing and reproduction	6	6	-----
25.0 Other services	-4	-----	-----
26.0 Supplies and materials	-----	1	-----
41.0 Grants, subsidies, and contributions	821	844	844
99.0 Total obligations	974	1,070	1,000

Personnel Summary

Total number of permanent positions	12	14	13
Average number of all employees	13	17	13
Average GS grade	7.6	7.8	7.8
Average GS salary	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions	\$6,788	\$6,905	\$6,905

OTHER GENERAL FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-96-9998-0-1-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Acquisition of lands for Uinta National Forest, Utah	1	40	57
2. Acquisition of lands for Wasatch National Forests, Utah	33	250	-----
3. Acquisition of lands for Superior National Forest, Minnesota	14	46	-----
4. Acquisition of lands for Cache National Forest, Utah	7	-----	11
5. Access roads	13	-----	-----
Total program costs, funded ¹	68	336	68
Change in selected resources ²	-22	-199	-----
10 Total obligations (object class 32.0)	46	137	68

Financing:

21 Unobligated balance available, start of year	-252	-205	-68
24 Unobligated balance available, end of year	205	68	-----

Budget authority

Relation of obligations to outlays:			
71 Obligations incurred, net	46	137	68
72 Obligated balance, start of year	222	212	-----
74 Obligated balance, end of year	-212	-----	-----
90 Outlays	56	349	68

Distribution of outlays by account:

Acquisition of lands for Uinta National Forest, Utah	1	40	57
Acquisition of lands for Wasatch National Forests, Utah	33	250	-----
Acquisition of lands for Superior National Forest, Minnesota	15	46	-----
Acquisition of lands for Cache National Forest, Utah	7	-----	11
Access roads	-----	13	-----

¹ Includes capital outlay as follows: 1968, \$67 thousand; 1969, \$349 thousand; 1970, \$68 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$221 thousand; 1968, \$199 thousand; 1969, \$0; 1970, \$0.

1. *Acquisition of lands for Uinta National Forest, Utah.*—79 Stat. 899, approved October 1, 1965, provided authorization for the appropriation of \$300 thousand for purchase of nonfederally owned land to promote the control of floods and the reduction of soil erosion through restoration of adequate vegetative cover. The full amount of this authorization was appropriated in fiscal year 1967. As of June 30, 1968, 8,847 acres have been approved for purchase.

2. *Acquisition of lands for Wasatch National Forest, Utah.*—76 Stat. 545, approved September 14, 1962, added some 24,000 acres to the Wasatch National Forest and authorized the appropriation of \$400 thousand for purchase of privately owned lands within the area to aid in the control of floods and reduction of soil erosion. The 1965 appropriation completed the authorization. As of June 30, 1968, approximately 12,345 acres of land had been acquired.

3. *Acquisition of lands for Superior National Forest, Minnesota.*—The authorization for the purchase of land within this forest was increased to \$4.5 million (16 U.S.C. 577c-577h). The 1963 appropriation completed the authorization for acquisition of the remaining tracts.

4. *Acquisition of lands for Cache National Forest, Utah.*—Lands are acquired to enable control and minimization of soil erosion and flood damage.

5. *Access roads.*—Full or partial interest in existing roads or rights-of-way is purchased (or obtained by condemnation if purchase negotiations fail) to provide access to national forest areas where road access is a serious problem.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed two hundred and [twenty-five] twelve passenger motor vehicles of which one hundred and [sixty] eighty shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed [four] two for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 ([58 Stat. 742] 7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109; (c) uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901 [; 80 Stat. 299] -5902); (d) purchase, erection, and alteration of buildings and other public improvements ([58 Stat. 742] 7 U.S.C. 2250); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); and (f) acquisition of land and interests therein for sites for

administrative purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a).

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of an established national forest or purchase unit. (*Department of the Interior and Related Agencies Appropriation Act, 1969.*)

Allocations and Allotments Received From Other Accounts

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

Agriculture:

Agricultural Stabilization and Conservation Service: "Expenses."

Soil Conservation Service:

"Flood prevention."

"Watershed planning."

"Capital works of improvement."

"River basin surveys and investigations."

"Resource conservation and development."

Funds appropriated to the President:

"Office of Economic Opportunity."

"Appalachian regional development programs, executive."

Defense—Civil: Army, Corps of Engineers: "Construction, general."

Interior:

Bureau of Land Management, "Oregon and California grant lands."

Bureau of Outdoor Recreation, "Land and water conservation fund."

Commerce: Economic Development Assistance, "Development Facilities."

FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 05-96-9999-0-2-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Roads and trails for States, national forests fund.....	17,566	20,931	21,830
2. Brush disposal.....	8,847	9,963	10,275
3. Forest fire prevention.....	38	60	60
4. Restoration of forest lands and improvements.....	11	25	25
5. Payment to Minnesota.....	145	146	146
6. Payments to counties, national grasslands.....	464	462	450
7. Payments to school funds, Arizona and New Mexico.....	106	90	100
8. Payments to States, national forests fund.....	43,912	52,326	54,564
Total program costs, funded ¹	71,090	84,003	87,450
Change in selected resources ²	151	-41	-----
10 Total obligations.....	71,241	83,962	87,450
Financing:			
21 Unobligated balance available, start of year.....	-12,241	-13,570	-14,048
24 Unobligated balance available, end of year.....	13,570	14,048	14,188
60 Budget authority (appropriation) (permanent, indefinite, special funds).....	72,570	84,440	87,590
Distribution of budget authority by account:			
Roads and trails for States, national forests fund.....	17,566	20,931	21,830
Brush disposal.....	10,329	10,400	10,400
Forest fire prevention.....	36	60	75
Restoration of forest lands and improvements.....	12	25	25
Payment to Minnesota.....	145	146	146
Payments to counties, national grasslands.....	464	462	450
Payments to school funds, Arizona and New Mexico.....	106	90	100
Payments to States, national forests fund.....	43,912	52,326	54,564
Relation of obligations to outlays:			
71 Obligations incurred, net.....	71,241	83,962	87,450
72 Obligated balance, start of year.....	919	1,197	1,197
74 Obligated balance, end of year.....	-1,197	-1,197	-1,197
90 Outlays.....	70,962	83,962	87,450

Distribution of outlays by account:

Roads and trails for States, national forests fund.....	17,566	20,931	21,830
Brush disposal.....	8,739	9,922	10,275
Forest fire prevention.....	37	60	60
Restoration of forest lands and improvements.....	9	25	25
Payment to Minnesota.....	145	146	146
Payments to counties, national grasslands.....	464	462	450
Payments to school funds, Arizona and New Mexico.....	106	90	100
Payments to States, national forests fund.....	43,895	52,326	54,564

¹ Includes capital outlay as follows: 1968, \$197 thousand; 1969, \$200 thousand; 1970, \$200 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$392 thousand; 1968, \$543 thousand; 1969, \$502 thousand; 1970, \$502 thousand.

1. *Roads and trails for States, national forests fund.*—With minor exceptions, 10% of the money received from the national forests is advanced to and merged with the appropriation "Forest roads and trails" for construction and maintenance of roads and trails within the State from which such proceeds are derived (16 U.S.C. 501).

2. *Brush disposal.*—Payments made for this purpose by purchasers of national forest timber are used to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

3. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (18 U.S.C. 711).

4. *Restoration of forest lands and improvements.*—Funds received from settlement of claims involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement or forfeiture (16 U.S.C. 579c).

5. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid 0.75% of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

6. *Payments to counties, national grasslands.*—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such land is situated for school and road purposes (7 U.S.C. 1012).

7. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national forest receipts for school purposes (36 Stat. 562, 573).

8. *Payments to States, national forests fund.*—With minor exceptions, 25% of the money received from the national forests is paid to the States for public schools and roads of the county in which such forests are situated (16 U.S.C. 500).

Object Classification (in thousands of dollars)

Identification code 05-96-9999-0-2-402	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	3,268	2,759	2,891
11.3 Positions other than permanent.....	2,231	3,098	3,189
11.5 Other personnel compensation.....	284	403	407
11.8 Special personal service payments.....	1	1	1
Total personnel compensation.....	5,784	6,261	6,488
12.1 Personnel benefits: Civilian employees.....	414	438	454
21.0 Travel and transportation of persons.....	58	55	71
22.0 Transportation of things.....	459	500	520
23.0 Rent, communications, and utilities.....	219	225	245
24.0 Printing and reproduction.....	13	15	15
25.0 Other services.....	19,041	22,756	23,666

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-96-9999-0-2-402	1968 actual	1969 est.	1970 est.
26.0 Supplies and materials.....	359	400	440
31.0 Equipment.....	233	250	255
32.0 Lands and structures.....	126	110	135
41.0 Grants, subsidies, and contributions.....	44,628	53,024	55,260
42.0 Insurance claims and indemnities.....	1	1	1
44.0 Refunds.....	2	-----	-----
Subtotal.....	71,337	84,035	87,550
95.0 Quarters and subsistence charges.....	-96	-73	-100
99.0 Total obligations.....	71,241	83,962	87,450

Personnel Summary

Total number of permanent positions.....	494	431	449
Full-time equivalent of other positions.....	433	582	599
Average number of all employees.....	870	937	971
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 05-96-4605-0-4-402	1968 actual	1969 est.	1970 est.
Program by activities:			
Operating costs, funded:			
1. Equipment service.....	14,060	14,719	14,719
2. Aircraft service.....	816	680	680
3. Supply service.....	5,991	3,225	3,225
4. Nurseries.....	2,634	2,550	2,550
Total operating costs.....	23,501	21,174	21,174
Capital outlay, funded:			
1. Equipment service.....	5,799	7,097	7,826
2. Aircraft service.....	2	-----	-----
3. Supply service.....	36	5	-----
4. Nurseries.....	7	-----	-----
Total capital outlay.....	5,844	7,102	7,826
Total program costs, funded.....	29,345	28,276	29,000
Change in selected resources ¹	633	-121	-----
10 Total obligations.....	29,978	28,155	29,000
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Revenue:			
Equipment service.....	-18,034	-19,496	-19,496
Aircraft service.....	-831	-732	-732
Supply service.....	-6,353	-3,292	-3,292
Nurseries.....	-2,687	-2,964	-2,964
Income provision for increased cost of equipment replacement.....	-750	-646	-646
Increase (—) or decrease in unfilled customer orders.....	186	-13	-----
14 Non-Federal sources: Proceeds from sale of equipment and other assets.....	-1,007	-856	-856
21 Unobligated balance available, start of year.....	-5,721	-5,219	-5,063
24 Unobligated balance available, end of year.....	5,219	5,063	4,049
Budget authority.....	-----	-----	-----

Relation of obligations to outlays:

71 Obligations incurred, net.....	502	156	1,014
72 Obligated balance, start of year.....	4,049	6,506	6,372
74 Obligated balance, end of year.....	-6,506	-6,372	-6,372
90 Outlays.....	-1,955	290	1,014

¹ Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Undelivered orders.....	3,114	3,410	3,289	3,289
Stores.....	5,877	6,212	6,212	6,212
Deferred charges.....	2	4	4	4
Total selected resources.....	8,993	9,626	9,505	9,505

The Working capital fund was established by the act of August 3, 1956 (16 U.S.C. 579b), as amended by the act of October 23, 1962, 16 U.S.C. 579b. It is a self-sustaining revolving fund which provides services to national forests, experiment stations, and when necessary, to other Federal agencies, and as provided by law to State and private agencies and persons who cooperate with the Forest Service in fire control and other authorized programs.

The Working capital fund requires no cash appropriation. Initially, its assets were purchased by regular Forest Service appropriations and donated to the fund. Where expansion of Working capital fund operations is required it generally is financed pro rata by benefiting Forest Service appropriations and the resulting assets are donated to the fund. In some instances assets have been obtained without cost to Forest Service appropriations or the Working capital fund. In other instances, the expansion was financed by the Working capital fund.

The following services were provided by the Working capital fund in fiscal year 1968:

1. *Equipment service.*—This service owns, operates, maintains, and replaces approximately 13,000 pieces of common use motor driven and similar equipment. This equipment is rented to a total of 166 proclaimed national forests, experiment stations and other units, and in some cases, to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which when added to depreciation earnings and the residual value of equipment provides sufficient funds to replace the equipment. This service operates 90 repair shops.

2. *Aircraft service.*—This service operates and maintains 57 Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are based at 11 locations and are rented to national forests, experiment stations, and in some cases, to other agencies, at rates which recover the cost of operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Replacement costs and the costs of additional aircraft are financed pro rata by benefiting Forest Service appropriations. This service operates three aircraft maintenance shops.

3. *Supply service.*—This service operates the following common services:

Central supply.—This service is centralized at two locations for procurement, warehousing, and supply of common use items, such as work project tools, provisions, and supplies, which are issued and sold to national forests, experiment stations, and others at prices which recover cost.

Photo reproduction.—Four photo reproduction laboratories store, reproduce, and supply aerial photographs, aerial maps, and other photographs of national forest lands. The photographic reproductions are sold to national forests, experiment stations, and others at cost.

Sign shop.—These include 13 small shops which manufacture and supply special signs for the national forests for use in regulating traffic and as information to the public and other users of the national forests. The signs are sold to national forests and experiment stations at cost.

Subsistence.—These are 30 facilities which prepare and serve meals at cost to Forest Service work crews working in remote areas where adequate public restaurant facilities are not available.

Cribbing.—This facility is located on the Angeles National Forest, Calif., to manufacture special concrete structural material used in embankments for erosion control purposes along access roads in the national forests. This material is sold to national forests at prices which recover costs.

4. *Nursery service.*—This service operates 14 forest tree nurseries and cold storage facilities for storage of tree and seed stock and one seed extractory. Tree seed is procured, cleaned, bagged, and stored in refrigerated facilities. Tree and seed stock are sold to national forests, States, and other Federal agencies at cost.

VOLUME OF BUSINESS FOR THE VARIOUS MAJOR ACTIVITIES OF THE WORKING CAPITAL FUND

[In thousands of dollars]

	1968 actual	1969 estimate	1970 estimate
Equipment service.....	18,784	20,142	20,142
Aircraft service.....	831	732	732
Supply service.....	6,353	3,292	3,292
Nursery service.....	2,686	2,964	2,964
Totals.....	28,654	27,130	27,130

The following is a tabulation pertaining to the capital and earnings of the Working capital fund:

ANALYSIS OF CAPITAL AND EARNINGS

[In thousands of dollars]

	Actual through June 30, 1968	Estimated through June 30, 1969	Estimated through June 30, 1970
Value of assets donated to the fund.....	32,458	33,383	34,308
Value of assets acquired from earnings..	6,779	7,925	9,072
Earnings reserved for future acquisition of assets.....	2,872	2,372	1,871
Balance of earnings.....	-286	384	1,054
Total capital and earnings.....	41,823	44,064	46,305

Object Classification (in thousands of dollars)

Identification code 05-96-4605-0-4-402	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	6,235	6,296	6,485
11.3 Positions other than permanent....	1,830	1,988	2,050
11.5 Other personnel compensation.....	132	70	70
11.8 Special personal service payments...	115	13	-----
Total personnel compensation.....	8,312	8,367	8,605
12.1 Personnel benefits: Civilian employees..	628	641	663
21.0 Travel and transportation of persons..	154	156	160
22.0 Transportation of things.....	188	189	190
23.0 Rent, communications, and utilities....	451	460	465
24.0 Printing and reproduction.....	45	45	45
25.0 Other services.....	2,711	2,720	2,800
26.0 Supplies and materials.....	11,577	8,818	9,072
31.0 Equipment.....	5,963	6,804	7,045
Subtotal.....	30,029	28,200	29,045
95.0 Quarters and subsistence charges.....	-51	-45	-45
99.0 Total obligations.....	29,978	28,155	29,000

Personnel Summary

Total number of permanent positions.....	894	864	889
Full-time equivalent of other positions.....	367	358	369
Average number of all employees.....	1,195	1,161	1,196
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

Identification code 05-96-3911-0-4-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Repair of equipment and sale of supplies, materials, equipment, and services to other activities of the Forest Service; the Departments of Agriculture, Commerce and Interior; Atomic Energy Commission; Defense; Air Force; and other agencies.....	1,717	2,718	2,731
2. Construction and maintenance of roads, trails, and other improvements.....	362	1,350	1,350
3. Forest fire protection and suppression.....	2,954	2,585	2,585
4. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands.....	174	195	195
5. Insect and disease control.....	386	585	585
6. Forest research at experimental forests and ranges, and for foreign countries.....	905	870	870
7. Investigations at Forest Products Laboratory.....	174	130	130
8. Cooperation in forest fire control, forest management and processing, and forest tree planting.....	777	390	390
9. Defense preparedness planning.....	600	500	188
10. Agency for International Development.....	303	359	354
Total program costs, funded ¹	8,352	9,682	9,378
Changes in selected resources ²	-16	12	-60
10 Total obligations.....	8,336	9,694	9,318
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-4,858	-5,855	-5,515
14 Non-Federal sources ³	-3,163	-3,676	-3,675
21 Unobligated balance available, start of year.....	-606	-291	-128
24 Unobligated balance available, end of year.....	291	128	-----
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	315	163	128
72 Obligated balance, start of year.....	187	114	-----
74 Obligated balance, end of year.....	-114	-----	-----
90 Outlays.....	388	277	128

¹ Includes capital outlay as follows: 1968, \$425 thousand; 1969, \$390 thousand; 1970, \$380 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1967, \$327 thousand (1968 adjustment, -\$17 thousand); 1968, \$294 thousand; 1969, \$306 thousand; 1970, \$246 thousand.

³ Reimbursements from non-Federal sources are primarily for sale of equipment, supplies, and materials; costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with national forests under terms of written cooperative agreements (16 U.S.C. 572, 580, 580a); and sale of personal property (40 U.S.C. 481(c)).

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS—Continued

Object Classification (in thousands of dollars)

Identification code 05-96-3911-0-4-402	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	2,048	2,560	2,488
11.3 Positions other than permanent.....	568	1,150	1,087
11.5 Other personnel compensation.....	2,032	165	132
11.8 Special personal service payments.....	173	240	203
Total personnel compensation.....	4,821	4,115	3,910
12.1 Personnel benefits: Civilian employees.....	214	290	278
21.0 Travel and transportation of persons.....	198	180	175
22.0 Transportation of things.....	177	315	305
23.0 Rent, communications, and utilities.....	91	135	130
24.0 Printing and reproduction.....	19	15	15
25.0 Other services.....	1,553	2,939	2,875
26.0 Supplies and materials.....	671	1,200	1,165
31.0 Equipment.....	306	200	195
32.0 Lands and structures.....	266	275	270
41.0 Grants, subsidies, and contributions.....	10	10	10
44.0 Refunds.....	17	30	-----
Subtotal.....	8,343	9,704	9,328
95.0 Quarters and subsistence charges.....	-7	-10	-10
99.0 Total obligations.....	8,336	9,694	9,318

Personnel Summary

Total number of permanent positions.....	236	309	301
Full-time equivalent of other positions.....	538	236	218
Average number of all employees.....	781	521	495
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

Trust Funds

COOPERATIVE WORK (TRUST FUND)

Program and Financing (in thousands of dollars)

Identification code 05-96-8028-0-7-402	1968 actual	1969 est.	1970 est.
Program by activities:			
1. Construction and maintenance of roads and trails.....	2,863	2,722	2,770
2. Construction and maintenance of other improvements.....	539	660	660
3. Protection of national forest and adjacent private land.....	3,556	3,625	3,625
4. Sale area betterment and scaling.....	22,915	24,462	23,945
5. Research investigations.....	651	700	700
6. Administration.....	14	10	10
7. Reforestation.....	19	15	20
8. Advance to forest protection and utilization for fighting forest fires.....	600	-----	-----
Total program costs, funded ¹	31,158	32,194	31,730
Change in selected resources ²	-88	-----	-----
10 Total obligations.....	31,070	32,194	31,730
Financing:			
17 Recovery of prior year obligations.....	-800	-600	-----
21 Unobligated balance available, start of year.....	-44,385	-46,280	-47,686
24 Unobligated balance available, end of year.....	46,280	47,686	49,956
60 Budget authority (appropriation).....	32,165	33,000	34,000

Relation of obligations to outlays:

71 Obligations incurred, net.....	30,270	31,594	31,730
72 Obligated balance, start of year.....	4,709	3,928	3,133
74 Obligated balance, end of year.....	-3,928	-3,133	-2,654
90 Outlays.....	31,050	32,389	32,209

¹ Includes capital outlay as follows: 1968, \$15,668 thousand; 1969, \$16,100 thousand; 1970, \$16,100 thousand.

² Selected resources as of June 30 are as follows:

	1967	1968	1969	1970
Unpaid undelivered orders.....	2,274	2,185	2,185	2,185
Advances.....	3	4	4	4
Total selected resources.....	2,277	2,189	2,189	2,189

Cooperative work.—Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection, and improvement of the national forests; and protection, reforestation, and administration of private lands adjacent to national forests (16 U.S.C. 490, 498, 572, 572a, 576b, 581; 31 U.S.C. 725s; 78 Stat. 1089).

Object Classification (in thousands of dollars)

Identification code 05-96-8028-0-7-402	1968 actual	1969 est.	1970 est.
Personnel compensation:			
11.1 Permanent positions.....	10,243	7,757	7,600
11.3 Positions other than permanent.....	6,000	7,789	7,696
11.5 Other personnel compensation.....	347	350	350
11.8 Special personal service payments.....	21	-----	-----
Total personnel compensation.....	16,611	15,896	15,646
12.1 Personnel benefits: Civilian employees.....	1,260	1,255	1,236
21.0 Travel and transportation of persons.....	236	250	250
22.0 Transportation of things.....	1,137	1,200	1,200
23.0 Rent, communications, and utilities.....	478	480	480
24.0 Printing and reproduction.....	59	65	65
25.0 Other services.....	5,037	6,407	6,182
26.0 Supplies and materials.....	2,355	2,600	2,600
31.0 Equipment.....	412	415	415
32.0 Lands and structures.....	2,749	2,900	2,900
42.0 Insurance claims and indemnities.....	1	1	1
44.0 Refunds.....	916	925	925
Subtotal.....	31,251	32,394	31,900
95.0 Quarters and subsistence charges.....	-181	-200	-170
99.0 Total obligations.....	31,070	32,194	31,730

Personnel Summary

Total number of permanent positions.....	1,517	1,119	1,097
Full-time equivalent of other positions.....	1,209	1,515	1,497
Average number of all employees.....	2,633	2,549	2,510
Average GS grade.....	7.6	7.8	7.8
Average GS salary.....	\$8,295	\$8,858	\$8,858
Average salary of ungraded positions.....	\$6,788	\$6,905	\$6,905

Legislative Program

Proposed for separate transmittal, proposed legislation:

CONSUMER AND MARKETING SERVICE

CONSUMER PROTECTIVE, MARKETING, AND REGULATORY PROGRAMS

Program and Financing (in thousands of dollars)

Identification code 05-32-2500-2-1-355	1968 actual	1969 est.	1970 est.
Program by activities:			
1. All other inspection, grading, classing, and standardization.....	-----	-----	-87

2.	Regulatory activities.....			-26
10	Total obligations (costs).....			-113
Financing:				
40	Budget authority.....			-113
Relation of obligations to outlays:				
71	Obligations incurred, net.....			-113
90	Outlays.....			-113

A reduction of \$113 thousand is anticipated for 1970 resulting from proposed legislation to repeal the Tobacco Seed and Plant Exportation Act of 1940, the Naval Stores Act of 1923, and the Wool Standards Act of 1928.

Proposed for separate transmittal, proposed legislation:

**REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES
(SECTION 32)**

Program and Financing (in thousands of dollars)

Identification code 05-32-5209-2-2-351	1968 actual	1969 est.	1970 est.
Financing:			
14	Receipts and reimbursements from: Non-Federal sources.....		-2,900
25	Unobligated balance lapsing.....		2,900
	Budget authority.....		
Relation of obligations to outlays:			
71	Obligations incurred, net.....		-2,900
90	Outlays.....		-2,900

Legislation will be requested to provide for payment by producers and handlers of \$2,900 thousand of the Federal administrative cost of the marketing agreements and orders program.

Proposed for separate transmittal, proposed legislation:

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 05-60-4220-2-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
	Capital outlay, funded:		
1.	Operating loans.....		-250,000
2.	Real estate loans: Soil and water loans.....		-42,000
	Total capital outlay, funded.....		-292,000
	Total program costs, funded.....		-292,000
	Changes in selected resources.....		-12,000
10	Total obligations.....		-304,000

Financing:			
24	Unobligated balance available, end of year: Fund balance.....		304,000
	Budget authority.....		
Relation of obligations to outlays:			
71	Obligations incurred, net.....		-304,000
74	Obligated balance, end of year.....		12,000
90	Outlays.....		-292,000

Legislation will be proposed to authorize insured operating loans to individuals. Legislation also will be proposed to provide that all insured loans made to public bodies for water and waste disposal facilities shall bear taxable interest upon sale to private investors. If the legislation is enacted, loan levels in the Direct loan account will be reduced by the following amounts:

Operating loans.....	\$250,000,000
Water and sewer loans.....	54,000,000
Total.....	304,000,000

(See narrative for Agricultural credit insurance fund for insured loan levels provided under this proposed legislation for these two programs.)

Proposed for separate transmittal, proposed legislation:

AGRICULTURAL CREDIT INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code 05-60-4140-2-3-352	1968 actual	1969 est.	1970 est.
Program by activities:			
10	Capital outlay, funded: Loans disbursed (costs—obligations).....		600,000
Financing:			
14	Receipts and reimbursements from: Non-Federal sources: Sale of loans.....		-600,000
	Budget authority.....		
Relation of obligations to outlays:			
71	Obligations incurred, net.....		
90	Outlays.....		

Legislation has been proposed to authorize insured operating loans to individuals and insured loans to rural cooperatives. Also, legislation has been proposed to provide that all insured loans made to public bodies for water and waste disposal facilities shall bear taxable interest upon sale to private investors. If the legislation is enacted, loan levels will be increased as follows (in thousands of dollars):

Operating loans.....	350,000
Water and sewer loans.....	245,000
Rural cooperative loans.....	5,000
Total.....	600,000

GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [six hundred and twenty-six (626)] *five hundred and sixty-six (566)* passenger motor vehicles, of which four hundred and [fifty-seven (457)] *sixty-eight (468)* shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is

available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 507. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

[SEC. 508. None of the funds in this Act shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under sec. 214 of the Independent Offices Appropriation Act, 1946 (31 U.S.C. 691) which do not have prior and specific Congressional approval of such method of financial support.]

[SEC. 509. No part of the funds appropriated under this Act shall be used to pay salaries of any Federal employee who is convicted in any Federal, State, or local court of competent jurisdiction, of inciting, promoting, or carrying on a riot, or any group activity resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned.] (*Department of Agriculture and Related Agencies Appropriation Act, 1969.*)

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	4	4	4
GS-17, \$26,264 to \$28,000.....	8	6	6
GS-16, \$22,835 to \$28,000.....	18	20	20
GS-15, \$19,780 to \$25,711.....	306	334	339
GS-14, \$16,946 to \$22,031.....	558	622	630
GS-13, \$14,409 to \$18,729.....	1,182	1,067	1,130
GS-12, \$12,174 to \$15,828.....	1,652	1,576	1,664
GS-11, \$10,203 to \$13,263.....	1,311	1,267	1,316
GS-10, \$9,297 to \$12,087.....	6	6	6
GS-9, \$8,462 to \$11,000.....	1,502	1,465	1,554
GS-8, \$7,699 to \$10,012.....	15	17	17
GS-7, \$6,981 to \$9,078.....	1,980	1,894	1,973
GS-6, \$6,321 to \$8,221.....	238	234	238
GS-5, \$5,732 to \$7,456.....	1,847	1,781	1,873
GS-4, \$5,145 to \$6,684.....	1,308	1,258	1,301
GS-3, \$4,600 to \$5,981.....	715	656	682
GS-2, \$4,231 to \$5,501.....	114	113	118
GS-1, \$3,889 to \$5,057.....	5	9	9
Rates established by act of June 20, 1958 (5 U.S.C. 1161(c)).....	14	15	15
Salaries established under the act of Apr. 24, 1948 (21 U.S.C. 113a).....	4	5	5
Grades established under the foreign national pay plan:			
Mexico:			
FS-10, \$6,805 to \$8,767.....	1	-----	-----
FS-8, \$5,284 to \$6,265.....	1	1	1
FS-6, \$3,523 to \$4,448.....	4	1	1
FS-5, \$2,754 to \$3,595.....	4	-----	-----
FS-4, \$1,946 to \$2,786.....	36	26	26
FS-3, \$1,441 to \$2,002.....	4	2	2
FS-2, \$1,121 to \$1,537.....	1	-----	-----
Italy:			
FS-6, \$4,263 to \$5,340.....	1	1	1
France:			
FS-4, \$5,149 to \$6,264.....	1	1	1
FS-5, \$4,712 to \$5,827.....	2	2	2
FS-8, \$3,468 to \$4,370.....	1	1	1
FS-9, \$3,093 to \$3,977.....	1	1	1
FS-10, \$2,745 to \$3,562.....	1	1	1
FS-11, \$2,521 to \$3,210.....	1	1	1
Grades established by the Director, Agency for International Development, pursuant to Public Law 665:			
FC-3, \$19,737 to \$26,106.....	3	4	4
FC-4, \$16,809 to \$22,129.....	9	9	9
FC-5, \$14,409 to \$18,729.....	15	16	17
FC-6, \$12,154 to \$15,849.....	7	7	7
FC-7, \$10,045 to \$13,330.....	2	1	1
FC-9, \$8,425 to \$11,017.....	1	1	1
FC-11, \$6,981 to \$9,128.....	2	2	2
Ungraded positions at annual rates:			
\$16,946 and above.....	4	4	4
Less than \$16,946.....	206	171	170
Ungraded positions at hourly rates equivalent to less than \$16,946.....	2,254	2,150	2,242
Total.....	15,350	14,753	15,396

HIGHER LEVEL POSITIONS

Executive level V, \$28,000:			
Administrator.....	1	1	1
GS-18, \$28,000:			
Deputy administrator, farm research.....	1	1	1
Deputy administrator, nutrition, consumer and industrial use research.....	1	1	1
Deputy administrator, regulatory.....	1	1	1
Director, research program development and evaluation staff.....	1	1	1

HIGHER LEVEL POSITIONS—CON.

GS-17, \$26,264 to \$28,000:			
Assistant deputy administrator, farm research.....	1	1	1
Assistant deputy administrator, nutrition, consumer and industrial use research.....	1	1	1
Assistant deputy administrator, regulatory.....	1	-----	-----
Associate director, research program development and evaluation staff.....	1	-----	-----
Deputy administrator, administrative management.....	1	1	1
Director, regulatory division.....	1	1	1
Director, research division.....	2	2	2
GS-16, \$22,835 to \$28,000:			
Agronomist.....	1	1	1
Assistant to administrator program planning and evaluation staff.....	1	1	1
Assistant to deputy administrator, farm research.....	1	2	2
Assistant to deputy administrator, regulatory.....	1	1	1
Associate director, regulatory division.....	1	1	1
Associate director, research division.....	2	2	2
Associate director research program development and evaluation staff.....	-----	1	1
Biologist.....	1	1	1
Chief, research laboratory.....	3	3	3
Director, current research information system.....	1	1	1
Director, regulatory division.....	4	4	4
Director, research division.....	1	1	1
Geneticist.....	1	1	1
Rates established by act of June 20, 1958 (5 U.S.C. 1161(c)):			
Associate administrator.....	1	1	1
Assistant to administrator.....	1	1	1
Assistant deputy administrator, nutrition, consumer and industrial use research.....	1	1	1
Chief scientist.....	1	1	2
Deputy administrator, marketing research.....	1	1	1
Director, research division.....	9	10	9
Salaries established under the act of Apr. 24, 1948 (21 U.S.C. 113a):			
Chief scientist.....	1	2	1
Director, research division.....	1	1	1
Director, research laboratory.....	2	2	10

COOPERATIVE STATE RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO COOPERATIVE STATE RESEARCH SERVICE

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Special positions at rates equal to or in excess of \$30,239.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	3	3	3
GS-15, \$19,780 to \$25,711.....	18	19	22
GS-14, \$16,946 to \$22,031.....	19	22	26
GS-13, \$14,409 to \$18,729.....	4	3	-----
GS-12, \$12,174 to \$15,828.....	1	-----	-----
GS-11, \$10,203 to \$13,263.....	1	1	1
GS-9, \$8,462 to \$11,000.....	4	4	4
GS-7, \$6,981 to \$9,078.....	9	11	11

GRADES AND RANGES—CON.

	1968 actual	1969 est.	1970 est.
GS-6, \$6,321 to \$8,221.....	6	4	4
GS-5, \$5,732 to \$7,456.....	23	29	29
GS-4, \$5,145 to \$6,684.....	4	5	5
GS-3, \$4,600 to \$5,981.....	5	5	2
GS-2, \$4,231 to \$5,501.....	2	-----	-----
Grades established by the Director, Agency for International Development:			
FC-2, \$22,737 to \$28,000.....	2	2	2
FC-3, \$19,737 to \$26,106.....	1	1	1
FC-4, \$16,809 to \$22,129.....	1	1	1
FC-5, \$14,409 to \$18,729.....	1	2	2
Total.....	106	114	115

HIGHER LEVEL POSITIONS

Special positions at rates equal to or in excess of \$30,239:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Associate administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant administrator.....	3	3	3
FC-2, \$22,737 to \$28,000:			
Agricultural Policy Adviser.....	1	1	1
Soils adviser.....	1	1	1

EXTENSION SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE EXTENSION SERVICE

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	3	3	3
GS-15, \$19,780 to \$25,711.....	16	19	19
GS-14, \$16,946 to \$22,031.....	48	56	56
GS-13, \$14,409 to \$18,729.....	28	21	22
GS-12, \$12,174 to \$15,828.....	8	9	9
GS-11, \$10,203 to \$13,263.....	5	4	4
GS-9, \$8,462 to \$11,000.....	14	14	14
GS-8, \$7,699 to \$10,012.....	7	7	7
GS-7, \$6,981 to \$9,078.....	26	28	28
GS-6, \$6,321 to \$8,221.....	27	32	32
GS-5, \$5,732 to \$7,456.....	28	28	28
GS-4, \$5,145 to \$6,684.....	19	16	16
GS-3, \$4,600 to \$5,981.....	11	7	7
GS-2, \$4,231 to \$5,501.....	6	8	8
Grades established by the Agency for International Development comparable to GS grades:			
FC-3, \$19,737 to \$26,106.....	1	1	2
FC-4, \$16,809 to \$22,129.....	1	7	6
FC-5, \$14,409 to \$18,729.....	12	9	6
FC-6, \$12,154 to \$15,849.....	22	38	32
FC-7, \$10,045 to \$13,330.....	7	7	7
FC-8, \$9,241 to \$11,987.....	5	1	1
Ungraded.....	2	2	2
Total.....	298	319	311

HIGHER LEVEL POSITIONS

GS-18, \$28,000:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant administrator.....	3	3	3

FARMER COOPERATIVE SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FARMER COOPERATIVE SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	10	15	15
GS-15, \$19,780 to \$25,711.....	7	6	19
GS-14, \$16,946 to \$22,031.....	22	23	14
GS-13, \$14,409 to \$18,729.....	9	6	10
GS-12, \$12,174 to \$15,828.....	7	7	8
GS-11, \$10,203 to \$13,263.....	4	4	4
GS-9, \$8,462 to \$11,000.....	4	4	4
GS-8, \$7,699 to \$10,012.....	4	4	4
GS-7, \$6,981 to \$9,078.....	4	4	6
GS-6, \$6,321 to \$8,221.....	5	6	9
GS-5, \$5,732 to \$7,456.....	12	14	17
GS-4, \$5,145 to \$6,684.....	12	8	8
GS-3, \$4,600 to \$5,981.....	5	4	4
Grades established by the Administrator, Agency for International Development:			
FC-3, \$19,737 to \$26,106.....	2	2	2
FC-4, \$16,809 to \$22,129.....	2	2	2
FC-5, \$14,409 to \$18,729.....	2	2	2
Total.....	108	108	125
HIGHER LEVEL POSITIONS			
GS-17, \$26,264 to \$28,000:			
Administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Administrator.....	1		

SOIL CONSERVATION SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE SOIL CONSERVATION SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	3	3	3
GS-16, \$22,835 to \$28,000.....	6	10	10
GS-15, \$19,780 to \$25,711.....	47	75	89
GS-14, \$16,946 to \$22,031.....	119	131	149
GS-13, \$14,409 to \$18,729.....	476	486	482
GS-12, \$12,174 to \$15,828.....	1,043	1,072	1,070
GS-11, \$10,203 to \$13,263.....	3,101	3,213	3,202
GS-10, \$9,297 to \$12,087.....	4	4	4
GS-9, \$8,462 to \$11,000.....	2,716	2,732	2,727
GS-8, \$7,699 to \$10,012.....	11	13	11
GS-7, \$6,981 to \$9,078.....	1,892	1,897	1,856
GS-6, \$6,321 to \$8,221.....	2,473	2,485	2,429
GS-5, \$5,732 to \$7,456.....	1,852	1,865	1,846
GS-4, \$5,145 to \$6,684.....	1,196	1,122	1,083
GS-3, \$4,600 to \$5,981.....	621	552	510
GS-2, \$4,231 to \$5,501.....	84	71	65
GS-1, \$3,889 to \$5,057.....	17	13	8
Grades established by the Administrator, Agency for International Development (75 Stat. 450):			
FC-2, \$22,727 to \$28,000.....	1	1	1
FC-3, \$19,737 to \$26,106.....	2	2	2
FC-4, \$16,809 to \$22,129.....	10	11	11
FC-5, \$14,409 to \$18,729.....	16	14	15
FC-6, \$12,154 to \$15,849.....	11	11	10
FC-7, \$10,045 to \$13,330.....	1		1
Ungraded.....	188	186	167
Total.....	15,892	15,971	15,753
HIGHER LEVEL POSITIONS			
Executive level V, \$28,000:			
Administrator.....	1	1	1
GS-18, \$28,000:			
Associate administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator.....	3	3	3
GS-16, \$22,835 to \$28,000:			
Assistant to deputy administrator.....	2	2	2
Deputy administrator.....	1	1	1
Division director.....	3	3	3
Field representative.....	3	4	4
Grades established by the Administrator, Agency for International Development (75 Stat. 450):			
FC-2, \$22,727 to \$28,000:			
Engineer, civil.....	1	1	1

ECONOMIC RESEARCH SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE ECONOMIC RESEARCH SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	3	2	2
GS-16, \$22,835 to \$28,000.....	9	8	8
GS-15, \$19,780 to \$25,711.....	50	62	67
GS-14, \$16,946 to \$20,031.....	109	127	134
GS-13, \$14,409 to \$18,729.....	165	174	170
GS-12, \$12,174 to \$15,828.....	170	170	166
GS-11, \$10,203 to \$13,263.....	112	117	117
GS-10, \$9,297 to \$12,087.....	1	1	1
GS-9, \$8,462 to \$11,000.....	102	96	95
GS-8, \$7,699 to \$10,012.....	8	8	8
GS-7, \$6,981 to \$9,078.....	92	78	80
GS-6, \$6,321 to \$8,221.....	87	87	87
GS-5, \$5,732 to \$7,456.....	148	141	141
GS-4, \$5,145 to \$6,684.....	97	86	87
GS-3, \$4,600 to \$5,981.....	66	63	64
GS-2, \$4,231 to \$5,501.....	27	20	16
GS-1, \$3,889 to \$5,057.....			
Grades established by the Administrator, Agency for International Development:			
FC-2, \$22,727 to \$28,000.....		1	1
FC-3, \$19,737 to \$26,106.....	7	7	7
FC-4, \$16,809 to \$22,129.....	4	4	4
FC-5, \$14,409 to \$18,729.....	1		
Ungraded.....	5	6	6
Total.....	1,264	1,259	1,262
HIGHER LEVEL POSITIONS			
GS-18, \$28,000:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator.....	2	2	2
Agricultural economist.....	1		
GS-16, \$22,835 to \$28,000:			
Division director.....	7	7	7
Outlook officer.....	1		
Agricultural economist.....	1	1	1

STATISTICAL REPORTING SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE STATISTICAL REPORTING SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	4	4	4
GS-15, \$19,780 to \$25,711.....	17	25	31
GS-14, \$16,946 to \$22,031.....	42	57	68
GS-13, \$14,409 to \$18,729.....	105	95	91
GS-12, \$12,174 to \$15,828.....	106	100	95
GS-11, \$10,203 to \$13,263.....	129	131	127
GS-9, \$8,462 to \$11,000.....	87	91	91
GS-8, \$7,699 to \$10,012.....	6	6	6
GS-7, \$6,981 to \$9,078.....	159	156	157
GS-6, \$6,321 to \$8,221.....	35	33	33
GS-5, \$5,732 to \$7,456.....	211	198	200
GS-4, \$5,145 to \$6,684.....	234	241	241
GS-3, \$4,600 to \$5,981.....	203	202	202
GS-2, \$4,231 to \$5,501.....	49	48	48
GS-1, \$3,889 to \$5,057.....	2	1	1
Grades established by the Administrator, Agency for International Development:			
FC-3, \$19,737 to \$26,106.....	2	1	1
FC-4, \$16,809 to \$22,129.....	1	1	1
FC-5, \$14,409 to \$18,729.....		1	1
FC-6, \$12,154 to \$15,849.....	3	1	1
Ungraded.....	2	2	2
Total.....	1,399	1,396	1,403
HIGHER LEVEL POSITIONS			
GS-18, \$28,000:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant administrator.....	1	1	1
Division director.....	3	3	3

CONSUMER AND MARKETING SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE CONSUMER AND MARKETING SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	2	1	1
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	4	4	4
GS-16, \$22,835 to \$28,000.....	14	14	14
GS-15, \$19,780 to \$25,711.....	63	73	75
GS-14, \$16,946 to \$22,031.....	157	183	202
GS-13, \$14,409 to \$18,729.....	475	499	495
GS-12, \$12,174 to \$15,828.....	841	891	905
GS-11, \$10,203 to \$13,263.....	1,543	1,645	1,675
GS-10, \$9,297 to \$12,087.....	1	1	1
GS-9, \$8,462 to \$11,000.....	2,430	2,530	2,642
GS-8, \$7,699 to \$10,012.....	596	872	907
GS-7, \$6,981 to \$9,078.....	3,846	4,305	4,575
GS-6, \$6,321 to \$8,221.....	131	137	139
GS-5, \$5,732 to \$7,456.....	1,430	1,224	1,415
GS-4, \$5,145 to \$6,684.....	1,031	1,125	1,195
GS-3, \$4,600 to \$5,981.....	400	346	365
GS-2, \$4,231 to \$5,501.....	61	58	58
GS-1, \$3,889 to \$5,057.....	2	7	7
Grades established by the Administrator, Agency for International Development:			
FC-3, \$19,737 to \$26,106.....	1	1	1
FC-4, \$16,809 to \$22,129.....	1	3	3
Ungraded.....	623	736	736
Total.....	13,653	14,751	15,416
HIGHER LEVEL POSITIONS			
Executive level V, \$28,000:			
Administrator.....	2	1	1
GS-18, \$28,000:			
Associate administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator, consumer food programs.....	1	1	1
Deputy administrator, consumer protection.....	1	1	1
Deputy administrator, marketing services.....	1	1	1
Deputy administrator, regulatory programs.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant deputy administrator, consumer food programs.....	1	1	1
Assistant deputy administrator, consumer protection.....	1	1	1
Assistant deputy administrator, regulatory programs.....	1	1	1
Deputy administrator, management.....	1	1	1
Division director.....	10	10	10

FOREIGN AGRICULTURAL SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FOREIGN AGRICULTURAL SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	4	4	4
GS-16, \$22,835 to \$28,000.....	14	14	14
GS-15, \$19,780 to \$25,711.....	71	71	73
GS-14, \$16,946 to \$22,031.....	112	119	130
GS-13, \$14,409 to \$18,729.....	87	85	92
GS-12, \$12,174 to \$15,828.....	61	59	61
GS-11, \$10,203 to \$13,263.....	38	35	37
GS-10, \$9,297 to \$12,087.....	0	0	
GS-9, \$8,462 to \$11,000.....	50	50	52
GS-8, \$7,699 to \$10,012.....	18	18	18
GS-7, \$6,981 to \$9,078.....	108	107	110
GS-6, \$6,321 to \$8,221.....	95	95	106
GS-5, \$5,732 to \$7,456.....	99	100	110
GS-4, \$5,145 to \$6,684.....	43	45	45
GS-3, \$4,600 to \$5,981.....	27	26	26
GS-2, \$4,231 to \$5,501.....	5	3	3
Ungraded.....	165	165	166
Total.....	999	998	1,049

**FOREIGN AGRICULTURAL SERVICE—
Continued****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO THE FOREIGN AGRICULTURAL SERVICE—
Continued**

	1968 actual	1969 est.	1970 est.
HIGHER LEVEL POSITIONS			
Executive Level V, \$28,000:			
Administrator.....	1	1	-----
GS-18, \$28,000:			
Associate administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Agricultural attaché.....	3	3	3
General sales manager.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Agricultural attaché.....	6	6	6
Assistant administrator.....	5	5	5
Barter and stockpiling manager.....	1	1	1
Deputy general sales manager.....	1	1	1
Foreign agricultural affairs officer.....	1	1	1

**INTERNATIONAL AGRICULTURAL
DEVELOPMENT SERVICE****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO INTERNATIONAL AGRICULTURAL DEVELOP-
MENT SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	8	9	9
GS-14, \$16,946 to \$22,031.....	11	12	12
GS-13, \$14,409 to \$18,729.....	13	13	13
GS-12, \$12,174 to \$15,828.....	5	6	6
GS-11, \$10,203 to \$13,263.....	3	3	3
GS-10, \$9,207 to \$12,087.....	1	1	1
GS-9, \$8,462 to \$11,000.....	2	1	1
GS-8, \$7,699 to \$10,012.....	2	3	3
GS-7, \$6,981 to \$9,078.....	9	8	8
GS-6, \$6,321 to \$8,221.....	16	19	19
GS-5, \$5,732 to \$7,456.....	25	21	21
GS-4, \$5,145 to \$6,684.....	7	5	5
GS-3, \$4,600 to \$5,981.....	5	5	5
GS-2, \$4,231 to \$5,501.....	1	-----	-----
Grades established by the Administrator of Agency for International Development:			
FC-1, \$26,106 to \$28,000.....	1	1	1
FC-2, \$22,727 to \$28,000.....	2	3	3
FC-3, \$19,737 to \$26,106.....	3	-----	-----
FC-5, \$14,409 to \$18,729.....	1	1	1
FC-7, \$10,045 to \$13,330.....	1	2	2
FC-12, \$6,317 to \$8,200.....	1	1	1
Total.....	120	117	117

HIGHER LEVEL POSITIONS

GS-18, \$28,000:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Research chemist.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Deputy administrator.....	1	1	1
FC-1, \$26,106 to \$28,000:			
Chief of party.....	1	1	1
FC-1, \$22,727 to \$28,000:			
Chief of party.....	1	1	1
Agricultural economist.....	1	1	1

**COMMODITY EXCHANGE
AUTHORITY****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO THE COMMODITY EXCHANGE AUTHORITY**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	6	6	6
GS-14, \$16,946 to \$22,031.....	10	11	11
GS-13, \$14,409 to \$18,729.....	8	8	8
GS-12, \$12,174 to \$15,828.....	8	7	9
GS-11, \$10,203 to \$13,263.....	11	12	19
GS-9, \$8,462 to \$11,000.....	17	19	26
GS-8, \$7,699 to \$10,012.....	1	1	1
GS-7, \$6,981 to \$9,078.....	20	23	25
GS-6, \$6,321 to \$8,221.....	12	12	12
GS-5, \$5,732 to \$7,456.....	16	14	17
GS-4, \$5,145 to \$6,684.....	27	31	37
GS-3, \$4,600 to \$5,981.....	13	15	21
GS-2, \$4,231 to \$5,501.....	2	3	3
Total.....	153	164	197

HIGHER LEVEL POSITIONS

GS-17, \$26,264 to \$28,000:			
Administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Associate administrator.....	1	1	1

**AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO THE AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	3	3	3
GS-17, \$26,264 to \$28,000.....	3	3	3
GS-16, \$22,835 to \$28,000.....	21	21	21
GS-15, \$19,780 to \$25,711.....	71	87	87
GS-14, \$16,946 to \$22,031.....	166	166	166
GS-13, \$14,409 to \$18,729.....	342	335	333
GS-12, \$12,174 to \$15,828.....	627	632	628
GS-11, \$10,203 to \$13,263.....	465	474	472
GS-9, \$8,462 to \$11,000.....	315	298	295
GS-8, \$7,699 to \$10,012.....	36	35	35
GS-7, \$6,981 to \$9,078.....	328	340	347
GS-6, \$6,321 to \$8,221.....	162	164	164
GS-5, \$5,732 to \$7,456.....	584	590	605
GS-4, \$5,145 to \$6,684.....	723	709	701
GS-3, \$4,600 to \$5,981.....	386	395	392
GS-2, \$4,231 to \$5,501.....	61	50	50
GS-1, \$3,889 to \$5,057.....	6	6	6
Grades established by Agency for International Development:			
FC-3, \$19,737 to \$26,106.....	3	3	3
FC-4, \$16,809 to \$22,129.....	1	1	1
FC-5, \$14,409 to \$18,729.....	1	1	1
Ungraded positions at annual rates less than \$16,946.....	71	71	71
Total.....	4,376	4,385	4,385

HIGHER LEVEL POSITIONS

Executive level V, \$28,000:			
Administrator.....	1	1	1
GS-18, \$28,000:			
Associate administrator.....	1	1	1
Deputy administrator.....	2	2	2
GS-17, \$26,264 to \$28,000:			
Assistant administrator.....	1	1	1
Confidential assistant.....	1	1	1
Deputy administrator.....	1	1	1

	1968 actual	1969 est.	1970 est.
HIGHER LEVEL POSITIONS—con.			
GS-16, \$22,835 to \$28,000:			
Assistant to deputy administrator.....	5	5	5
Assistant to president, Commodity Credit Corporation.....	1	1	1
Director.....	15	15	15

**FEDERAL CROP INSURANCE
CORPORATION****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO THE FEDERAL CROP INSURANCE COR-
PORATION**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Grades established by acts of Aug. 14, 1964, Public Law 88-426, at rates equivalent to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	11	11	11
GS-14, \$16,946 to \$22,031.....	11	18	29
GS-13, \$14,409 to \$18,729.....	48	47	38
GS-12, \$12,174 to \$15,828.....	33	67	102
GS-11, \$10,203 to \$13,263.....	91	71	40
GS-9, \$8,462 to \$11,000.....	46	26	23
GS-8, \$7,699 to \$10,012.....	4	4	6
GS-7, \$6,981 to \$9,078.....	61	78	79
GS-6, \$6,321 to \$8,221.....	25	29	31
GS-5, \$5,732 to \$7,456.....	74	72	65
GS-4, \$5,145 to \$6,684.....	67	203	213
GS-3, \$4,600 to \$5,981.....	198	47	33
GS-2, \$4,231 to \$5,501.....	23	5	4
GS-1, \$3,389 to \$5,057.....	1	-----	-----
Total.....	695	680	676

HIGHER LEVEL POSITIONS

Grades established by act of Aug. 14, 1964, Public Law 88-426, \$28,000:			
Manager.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Deputy manager.....	1	1	1

**RURAL ELECTRIFICATION
ADMINISTRATION****CONSOLIDATED SCHEDULE OF PERMANENT
POSITIONS PAID FROM FUNDS AVAILABLE
TO THE RURAL ELECTRIFICATION ADMINIS-
TRATION**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	5	4	4
GS-15, \$19,780 to \$25,711.....	31	31	31
GS-14, \$16,946 to \$22,031.....	84	85	85
GS-13, \$14,409 to \$18,729.....	140	140	140
GS-12, \$12,174 to \$15,828.....	268	268	268
GS-11, \$10,203 to \$13,263.....	102	102	102
GS-9, \$8,462 to \$11,000.....	52	52	52
GS-8, \$7,699 to \$10,012.....	5	5	5
GS-7, \$6,981 to \$9,078.....	77	77	77
GS-6, \$6,321 to \$8,221.....	72	72	72
GS-5, \$5,732 to \$7,456.....	72	72	72
GS-4, \$5,145 to \$6,684.....	39	39	39
GS-3, \$4,600 to \$5,981.....	38	38	38
GS-2, \$4,231 to \$5,501.....	7	7	7
Ungraded.....	2	2	2
Total.....	996	996	996

HIGHER LEVEL POSITIONS

Executive level V, \$28,000:			
Administrator.....	1	1	1
GS-18, \$28,000:			
Deputy administrator.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant administrator.....	3	3	3
Deputy administrator.....	1	1	1
Director of division.....	1	1	1

FARMERS HOME ADMINISTRATION**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FARMERS HOME ADMINISTRATION**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	7	7	7
GS-15, \$19,780 to \$25,711.....	36	36	45
GS-14, \$16,946 to \$22,031.....	80	80	91
GS-13, \$14,409 to \$18,729.....	149	162	217
GS-12, \$12,174 to \$15,828.....	351	363	388
GS-11, \$10,203 to \$13,263.....	1,061	1,290	1,820
GS-9, \$8,462 to \$11,000.....	1,254	1,125	1,731
GS-8, \$7,699 to \$10,012.....	3	3	3
GS-7, \$6,981 to \$9,078.....	660	598	911
GS-6, \$6,321 to \$8,221.....	74	83	83
GS-5, \$5,732 to \$7,456.....	299	216	452
GS-4, \$5,145 to \$6,684.....	1,958	1,963	2,746
GS-3, \$4,600 to \$5,981.....	751	746	746
GS-2, \$4,231 to \$5,501.....	78	73	73
GS-1, \$3,889 to \$5,057.....	2	6	6
Grades established by the Director, Agency for International Development:			
FC-2, \$22,727 to \$28,000.....		1	1
FC-3, \$19,737 to \$26,106.....	2	5	5
FC-4, \$16,809 to \$22,129.....	7	19	19
FC-5, \$14,409 to \$18,729.....	12	5	10
FC-6, \$12,154 to \$15,849.....	7	7	7
FC-7, \$10,045 to \$13,330.....	1	3	3
Ungraded.....	6	7	7
Total.....	6,800	6,800	9,373

HIGHER LEVEL POSITIONS

Executive level V, \$28,000:			
Administrator, Farmers Home Administration.....	1	1	1
GS-18, \$28,000:			
Deputy administrator, Farmers Home Administration.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant administrator, Farmers Home Administration.....	6	6	6
Director of division.....	1	1	1
FC-2, \$22,727 to \$28,000:			
Agriculture credit adviser.....	1	1	1

RURAL COMMUNITY DEVELOPMENT SERVICE**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE RURAL COMMUNITY DEVELOPMENT SERVICE**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	9	9	9
GS-13, \$14,409 to \$18,729.....		1	1
GS-12, \$12,174 to \$15,828.....	1	1	1
GS-10, \$9,297 to \$12,087.....	1	1	1
GS-9, \$8,462 to \$11,000.....	2	1	1
GS-8, \$7,699 to \$10,012.....	2	2	2
GS-7, \$6,981 to \$9,078.....	10	10	10
GS-5, \$5,732 to \$7,456.....	1	1	1
Total.....	28	28	28

HIGHER LEVEL POSITIONS

GS-18, \$28,000:			
Administrator.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Deputy administrator.....	1	1	1

OFFICE OF THE INSPECTOR GENERAL**CONSOLIDATED SUMMARY OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE OFFICE OF THE INSPECTOR GENERAL**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-18, \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	19	22	22
GS-14, \$16,946 to \$22,031.....	45	45	52
GS-13, \$14,409 to \$18,729.....	127	133	137
GS-12, \$12,174 to \$15,828.....	181	206	213
GS-11, \$10,203 to \$13,263.....	169	192	207
GS-10, \$9,297 to \$12,087.....	2	2	2
GS-9, \$8,462 to \$11,000.....	88	84	83
GS-8, \$7,699 to \$10,012.....	1	1	1
GS-7, \$6,981 to \$9,078.....	99	73	73
GS-6, \$6,321 to \$8,221.....	44	44	44
GS-5, \$5,732 to \$7,456.....	66	54	57
GS-4, \$5,145 to \$6,684.....	52	66	81
GS-3, \$4,600 to \$5,981.....	23	10	10
GS-2, \$4,231 to \$5,501.....	4	5	5
GS-1, \$3,889 to \$5,057.....	1		
Total.....	923	939	989

HIGHER LEVEL POSITIONS

GS-18, \$28,000:			
Inspector General.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant inspector general.....	1	1	1

PACKERS AND STOCKYARDS ADMINISTRATION**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE PACKERS AND STOCKYARDS ADMINISTRATION**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	4	5	5
GS-14, \$16,946 to \$22,031.....	9	10	17
GS-13, \$14,409 to \$18,729.....	23	25	24
GS-12, \$12,174 to \$15,828.....	44	42	47
GS-11, \$10,203 to \$13,263.....	35	35	40
GS-9, \$8,462 to \$11,000.....	15	12	42
GS-8, \$7,699 to \$10,012.....			2
GS-7, \$6,981 to \$9,078.....	9	12	12
GS-6, \$6,321 to \$8,221.....	19	22	30
GS-5, \$5,732 to \$7,456.....	17	18	17
GS-4, \$5,145 to \$6,684.....	17	16	17
GS-3, \$4,600 to \$5,981.....	5		
Total.....	198	198	254

HIGHER LEVEL POSITIONS

GS-16, \$22,835 to \$28,000:			
Administrator.....	1	1	1

OFFICE OF THE GENERAL COUNSEL**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE OFFICE OF THE GENERAL COUNSEL**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level IV, \$28,750.....	1	1	1
GS-18, \$28,000.....	1	1	1
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	5	5	5
GS-15, \$19,780 to \$25,711.....	27	32	32
GS-14, \$16,946 to \$22,031.....	53	64	64
GS-13, \$14,409 to \$18,729.....	54	45	45
GS-12, \$12,174 to \$15,828.....	28	37	44

	1968 actual	1969 est.	1970 est.
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GRADES AND RANGES—CON.

GS-11, \$10,203 to \$13,263.....	16	37	72
GS-9, \$8,462 to \$11,000.....	36	14	17
GS-7, \$6,981 to \$9,078.....	30	23	23
GS-6, \$6,321 to \$8,221.....	28	28	28
GS-5, \$5,732 to \$7,456.....	64	69	69
GS-4, \$5,145 to \$6,684.....	44	43	85
GS-3, \$4,600 to \$5,981.....	21	21	21
GS-2, \$4,231 to \$5,501.....	2	2	2
Total.....	411	423	510

HIGHER LEVEL POSITIONS

Executive level IV, \$28,750:			
General Counsel.....	1	1	1
GS-18, \$28,000:			
Deputy general counsel.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Assistant general counsel.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant general counsel.....	2	2	2
Director, legal division.....	3	3	3

OFFICE OF INFORMATION**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO OFFICE OF INFORMATION**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-17, \$26,264 to \$28,000.....	1	1	1
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	5	5	8
GS-14, \$16,946 to \$22,031.....	9	13	13
GS-13, \$14,409 to \$18,729.....	24	21	19
GS-12, \$12,174 to \$15,828.....	26	26	26
GS-11, \$10,203 to \$13,263.....	17	18	18
GS-9, \$8,462 to \$11,000.....	28	28	28
GS-7, \$6,981 to \$9,078.....	35	35	35
GS-6, \$6,321 to \$8,221.....	13	13	13
GS-5, \$5,732 to \$7,456.....	31	30	30
GS-4, \$5,145 to \$6,684.....	37	34	34
GS-3, \$4,600 to \$5,981.....	20	20	20
GS-2, \$4,231 to \$5,501.....	5	6	6
GS-1, \$3,889 to \$5,057.....		1	1
Ungraded.....	7	7	7
Total.....	259	259	260

HIGHER LEVEL POSITIONS

GS-17, \$26,264 to \$28,000:			
Director of Information.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Deputy director of information.....	1	1	1

NATIONAL AGRICULTURAL LIBRARY**CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE NATIONAL AGRICULTURAL LIBRARY**

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....		4	4
GS-14, \$16,946 to \$22,031.....	6	6	6
GS-13, \$14,409 to \$18,729.....	10	12	12
GS-12, \$12,174 to \$15,828.....	11	10	10
GS-11, \$10,203 to \$13,263.....	39	36	37
GS-9, \$8,462 to \$11,000.....	13	15	15
GS-8, \$7,699 to \$10,012.....		3	3
GS-7, \$6,981 to \$9,078.....	17	21	20
GS-6, \$6,321 to \$8,221.....	14	20	20
GS-5, \$5,732 to \$7,456.....	31	30	30
GS-4, \$5,145 to \$6,684.....	31	30	30
GS-3, \$4,600 to \$5,981.....	30	24	25
GS-2, \$4,231 to \$5,501.....	9	2	2
GS-1, \$3,889 to \$5,057.....	1	2	2
Total.....	213	216	217

HIGHER LEVEL POSITIONS

GS-16, \$22,835 to \$28,000:			
Director.....	1	1	1

OFFICE OF MANAGEMENT SERVICES

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE OFFICE OF MANAGEMENT SERVICES

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
GS-16, \$22,835 to \$28,000.....	1	1	1
GS-15, \$19,780 to \$25,711.....	5	5	5
GS-14, \$16,946 to \$22,031.....	16	17	17
GS-13, \$14,409 to \$18,729.....	15	20	20
GS-12, \$12,174 to \$15,828.....	23	29	30
GS-11, \$10,203 to \$13,263.....	25	30	31
GS-9, \$8,462 to \$11,000.....	42	44	46
GS-7, \$6,981 to \$9,078.....	43	43	46
GS-6, \$6,321 to \$8,221.....	23	29	29
GS-5, \$5,732 to \$7,456.....	54	48	51
GS-4, \$5,145 to \$6,684.....	31	37	40
GS-3, \$4,600 to \$5,981.....	37	25	25
GS-2, \$4,231 to \$5,501.....	25	14	14
GS-1, \$3,889 to \$5,057.....	4	4	4
Ungraded.....	12	12	12
Total.....	356	358	371

HIGHER LEVEL POSITIONS

GS-16, \$22,835 to \$28,000:			
Director.....	1	1	1

GENERAL ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO GENERAL ADMINISTRATION

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level I, \$35,000.....	1	1	1
Executive level III, \$29,500.....	1	1	1
Executive level IV, \$28,750.....	3	3	3
Executive level V, \$28,000.....	3	3	3
GS-18, \$28,000.....	2	1	1
GS-17, \$26,264 to \$28,000.....	10	9	9
GS-16, \$22,835 to \$28,000.....	12	14	14
GS-15, \$19,780 to \$25,711.....	33	31	34
GS-14, \$16,946 to \$22,031.....	37	46	50
GS-13, \$14,409 to \$18,729.....	39	40	44
GS-12, \$12,174 to \$15,828.....	36	39	39
GS-11, \$10,203 to \$13,263.....	41	44	41
GS-10, \$9,297 to \$12,087.....	8	7	7
GS-9, \$8,462 to \$11,000.....	42	46	47
GS-8, \$7,699 to \$10,012.....	16	12	12
GS-7, \$6,981 to \$9,078.....	68	59	61
GS-6, \$6,321 to \$8,221.....	28	31	35
GS-5, \$5,732 to \$7,456.....	82	85	91
GS-4, \$5,145 to \$6,684.....	70	74	72
GS-3, \$4,600 to \$5,981.....	84	72	70
GS-2, \$4,231 to \$5,501.....	43	38	38
GS-1, \$3,889 to \$5,057.....	2	1	1
Ungraded.....	161	162	162
Total.....	822	819	836

HIGHER LEVEL POSITIONS

	1968 actual	1969 est.	1970 est.
Executive level I, \$35,000:			
Secretary of Agriculture.....	1	1	1
Executive level III, \$29,500:			
Under secretary of Agriculture.....	1	1	1
Executive level IV, \$28,750:			
Assistant secretary of Agriculture.....	3	3	3
Executive level V, \$28,000:			
Assistant secretary for administration.....	1	1	1
Director of agricultural economics.....	1	1	1
Director, science and education.....	1	1	1
GS-18, \$28,000:			
Assistant to the secretary.....	1	-----	-----
Executive assistant, chief of staff.....	1	1	1
GS-17, \$26,264 to \$28,000:			
Assistant to the secretary.....	2	2	2
Deputy assistant secretary.....	2	1	1
Director of finance and budget officer.....	1	1	1
Director, management improvement.....	1	1	1
Director of personnel.....	1	1	1
Director, planning, evaluation, and programing staff.....	1	1	1
Director of plant and operations.....	1	1	1
Judicial officer.....	1	1	1
GS-16, \$22,835 to \$28,000:			
Assistant to the secretary.....	2	2	2
Assistant director, management improvement.....	-----	1	1
Deputy assistant secretary.....	2	2	2
Deputy director, budget and finance.....	1	1	1
Deputy director of personnel.....	1	1	1
Deputy director, planning, evaluation, and programing staff.....	1	1	1
Deputy director of plant and operations.....	-----	1	1
Hearing examiner.....	5	5	5

FOREST SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FOREST SERVICE

	1968 actual	1969 est.	1970 est.
GRADES AND RANGES			
Executive level V, \$28,000.....	1	1	1
GS-18, \$28,000.....	3	3	3
GS-17, \$26,264 to \$28,000.....	6	6	6
GS-16, \$22,835 to \$28,000.....	28	29	29
GS-15, \$19,780 to \$25,711.....	94	119	148
GS-14, \$16,946 to \$22,031.....	372	405	430

GRADES AND RANGES—con.

	1968 actual	1969 est.	1970 est.
GS-13, \$14,409 to \$18,729.....	916	925	968
GS-12, \$12,174 to \$15,828.....	1,956	1,935	2,024
GS-11, \$10,203 to \$13,263.....	2,988	2,903	3,035
GS-10, \$9,297 to \$12,087.....	29	42	44
GS-9, \$8,462 to \$11,000.....	3,647	3,555	3,717
GS-8, \$7,699 to \$10,012.....	48	42	44
GS-7, \$6,981 to \$9,078.....	3,981	3,786	3,959
GS-6, \$6,321 to \$8,221.....	529	526	550
GS-5, \$5,732 to \$7,456.....	3,320	3,113	3,255
GS-4, \$5,145 to \$6,684.....	2,761	2,587	2,706
GS-3, \$4,600 to \$5,981.....	1,851	1,409	1,474
GS-2, \$4,231 to \$5,501.....	234	202	220
GS-1, \$3,889 to \$5,057.....	15	10	15
Grades established by Act of June 20, 1958 (72 Stat. 213) and Act of September 23, 1959 (73 Stat. 651):			
\$28,000.....	1	1	1
\$27,401.....	2	2	2
\$25,118.....	1	1	1
Public administration adviser grades established by the Administrator: Agency for International Development:			
FC-2, \$22,727 to \$28,000.....	1	-----	-----
FC-3, \$19,737 to \$26,106.....	-----	1	2
FC-4, \$16,809 to \$22,129.....	2	1	1
FC-5, \$14,409 to \$18,729.....	1	1	1
FC-6, \$12,154 to \$15,849.....	1	-----	-----
FC-7, \$10,045 to \$13,330.....	-----	-----	-----
FC-8, \$9,241 to \$11,987.....	2	1	1
Ungraded.....	1,752	1,651	1,730
Total.....	24,542	23,257	24,367

HIGHER LEVEL POSITIONS

Executive level V, \$28,000:			
Chief.....	1	1	1
GS-18, \$28,000:			
Associate chief.....	1	1	1
Deputy chief.....	2	2	2
GS-17, \$26,264 to \$28,000:			
Associate deputy chief.....	3	3	3
Deputy chief.....	3	3	3
GS-16, \$22,835 to \$28,000:			
Associate deputy chief.....	2	2	2
Director, forest experiment station.....	8	8	8
Director, S&P F area.....	2	2	2
Division director.....	7	8	8
Regional forester.....	8	8	8
Research forester.....	1	1	1
Grades established by Act of June 20, 1958 (72 Stat. 213) and Act of Sept. 23, 1959 (73 Stat. 651), \$28,000:			
Director, forest products laboratory.....	1	1	1
\$27,401:			
Physical chemist.....	1	1	1
Research forester.....	1	1	1
\$25,118:			
Forest products technologist.....	1	1	1
Public administration adviser grades established by the Administrator: Agency for International Development:			
FC-2, \$22,727 to \$28,000.....	1	-----	-----





